

HOUSE OF REPRESENTATIVES—Wednesday, April 8, 1992

The House met at 11 a.m.

The Reverend Dr. Robert B. Hower-ton, Jr., senior vice president, health and welfare ministries, Methodist Health Systems, Memphis, TN, offered the following prayer:

Dear God, whose breath is like the dawn of a new day and whose arms are like the great rocks that support the land and the sea, we bow our heads to thank You for Your grace which is like a canopy of love spread over our lives.

May our land be a place of justice; a land of plenty, where poverty shall cease to fester; a land where people have rewarding work and time for play; a land of brotherhood, sisterhood and peace, where order need not rest on force. Let love for our country be paramount.

Guide by Your higher wisdom the President and Members of Congress. Give us grace and wisdom to complete our task. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. NAGLE. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. NAGLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 282, nays 120, answered "present" 1, not voting 31, as follows:

[Roll No. 73]

YEAS—282

Abercrombie	Bacchus	Brooks
Ackerman	Barnard	Broomfield
Anderson	Bateman	Browder
Andrews (ME)	Beilenson	Brown
Andrews (NJ)	Bennett	Bruce
Andrews (TX)	Berman	Bryant
Annunzio	Bevill	Bustamante
Applegate	Bilbray	Byron
Archer	Bonior	Campbell (CO)
Aspin	Borski	Cardin
Atkins	Boucher	Carper
AuCoin	Brewster	Carr

Chapman	Jenkins	Pelosi
Clement	Johnson (CT)	Penny
Clinger	Johnson (SD)	Perkins
Coleman (TX)	Johnson (TX)	Peterson (FL)
Collins (IL)	Johnston	Peterson (MN)
Collins (MI)	Jones (NC)	Petri
Combest	Jontz	Poshard
Condit	Kanjorski	Price
Conyers	Kaptur	Pursell
Cooper	Kasich	Quillen
Cox (IL)	Kennedy	Rahall
Coyne	Kennelly	Ravenel
Cramer	Kildee	Ray
Darden	Kleczka	Reed
de la Garza	Klug	Richardson
DeFazio	Kolter	Rinaldo
DeLauro	Kopetski	Ritter
Dellums	Kostmayer	Roe
Derrick	LaFalce	Roemer
Dicks	Lancaster	Rose
Dingell	Lantos	Rostenkowski
Donnelly	LaRocco	Rowland
Dooley	Laughlin	Roybal
Dorgan (ND)	Lehman (CA)	Russo
Downey	Lehman (FL)	Sabo
Dreier	Lent	Sanders
Durbin	Levin (MI)	Sangmeister
Dwyer	Lewis (GA)	Santorum
Dymally	Lipinski	Sarpalius
Early	Livingston	Sawyer
Eckart	Lloyd	Scheuer
Edwards (CA)	Long	Schiff
Edwards (TX)	Luken	Schroeder
Engel	Manton	Schulze
English	Markley	Schumer
Erdreich	Marquez	Sharp
Espy	Martinez	Sisisky
Evans	Matsui	Skaggs
Ewing	Mavroules	Skeen
Fascell	Mazzoli	Skelton
Fazio	McCloskey	Slattery
Fish	McCrery	Slaughter
Flake	McCurdy	Smith (FL)
Foglietta	McDermott	Smith (IA)
Ford (TN)	McGrath	Smith (NJ)
Frank (MA)	McHugh	Snowe
Frost	McMillen (MD)	Spratt
Gaydos	McNulty	Staggers
Gejdenson	Miller (CA)	Stallings
Gephardt	Mineta	Stark
Geren	Mink	Stenholm
Gibbons	Moakley	Stokes
Gilchrest	Mollohan	Studds
Gillmor	Montgomery	Swett
Gilman	Moody	Swift
Glickman	Moran	Synar
Gonzalez	Morella	Tallon
Gordon	Morrison	Tanner
Gradison	Murtha	Tauzin
Green	Myers	Taylor (MS)
Guarini	Nagle	Thomas (GA)
Gunderson	Natcher	Thomas (WY)
Hall (OH)	Neal (NC)	Torricelli
Hall (TX)	Nichols	Towns
Hamilton	Nowak	Traficant
Hammerschmidt	Oakar	Traxler
Harris	Oberstar	Unsoeld
Hatcher	Obey	Valentine
Hayes (LA)	Olin	Vento
Hefner	Oliver	Visclosky
Hertel	Ortiz	Volkmer
Hoagland	Orton	Washington
Hochbrueckner	Owens (NY)	Waxman
Horn	Owens (UT)	Weiss
Horton	Oxley	Wheat
Houghton	Pallone	Williams
Hoyer	Panetta	Wise
Hubbard	Parker	Wolpe
Huckaby	Pastor	Wyden
Hughes	Patterson	Wylie
Hutto	Payne (NJ)	Yates
Hyde	Payne (VA)	Yatron
	Pease	

NAYS—120

Allard	Goss	Paxon
Allen	Grandy	Porter
Armey	Hancock	Ramstad
Baker	Hansen	Regula
Ballenger	Hastert	Rhodes
Barrett	Hefley	Ridge
Barton	Henry	Roberts
Bentley	Herger	Rogers
Bereuter	Hobson	Rohrabacher
Billiey	Hollway	Ros-Lehtinen
Boehert	Hopkins	Roth
Boehner	Hunter	Roukema
Bunning	Inhofe	Saxton
Burton	Jacobs	Schaefer
Callahan	James	Sensenbrenner
Camp	Jones (GA)	Shaw
Campbell (CA)	Kolbe	Shays
Chandler	Lagomarsino	Shuster
Clay	Leach	Sikorski
Coble	Lewis (CA)	Smith (OR)
Coleman (MO)	Lewis (FL)	Smith (TX)
Coughlin	Lightfoot	Solomon
Cox (CA)	Lowery (CA)	Spence
Crane	Machtley	Stearns
Cunningham	Marlenee	Stump
Dannemeyer	Martin	Sundquist
Davis	McCandless	Taylor (NC)
DeLay	McCollum	Thomas (CA)
Doolittle	McDade	Upton
Duncan	McEwen	Vander Jagt
Edwards (OK)	McMillan (NC)	Vucanovich
Emerson	Meyers	Walker
Fawell	Michel	Walsh
Fields	Miller (OH)	Weber
Franks (CT)	Miller (WA)	Weldon
Gallegly	Molinar	Wolf
Gallo	Moorhead	Young (AK)
Gekas	Murphy	Young (FL)
Gingrich	Nussle	Zeliff
Goodling	Packard	Zimmer

ANSWERED "PRESENT"—1

Pickle

NOT VOTING—31

Alexander	Hayes (IL)	Riggs
Anthony	Ireland	Savage
Billakis	Jefferson	Serrano
Blackwell	Kyl	Solarz
Boxer	Levine (CA)	Thornton
Costello	Lowey (NY)	Torres
Dickinson	Mfume	Waters
Dixon	Mrazek	Whitten
Dornan (CA)	Neal (MA)	Wilson
Feighan	Pickett	
Ford (MI)	Rangel	

□ 1126

Mr. DERRICK changed his vote from "nay" to "yea."

Mr. TRAFICANT changed his vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. McNULTY). The Chair will recognize the gentleman from Tennessee [Mr. FORD] to lead us in the Pledge of Allegiance.

Mr. FORD of Tennessee led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

States participation in the United Nations Conference on Environment and Development [UNCED].

The message also announced that pursuant to sections 276d-276g, of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints Mr. SYMMS, Mr. MURKOWSKI, and Mr. BURNS, as members of the Senate delegation to the Canada-United States Interparliamentary Group during the second session of the 102d Congress, to be held in Boca Raton, FL, April 9-13, 1992.

WELCOME OF REV. DR. ROBERT B. HOWERTON, JR.

(Mr. FORD of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORD of Tennessee. Mr. Speaker, I am pleased to welcome Rev. Robert B. Howerton. Reverend Howerton had distinguished himself throughout his career by excelling in health-care ministries. He serves as the senior vice president of the health systems and Methodist Hospitals of Memphis and is responsible for mental health, alcohol, substance abuse, and geriatrics programs. His untiring dedication in this field has led to many commendations and honors. Reverend Howerton was appointed to the Governor's task force on Alzheimer's disease by Tennessee Gov. Ned McWherter; he is president of Methodist Outreach, Inc., an alcohol and drug residential treatment facility; and was selected as Chaplain of the Year in 1984 by the United Methodist Association of Health and Welfare Ministries.

Reverend Howerton's illustrious career is highlighted by unfailing leadership in the health-care field. He has brought his message of hope to thousands of persons. He has spread the message of goodwill and faith throughout the city of Memphis. His leadership and ministry in the health-care field are shining examples of how community-based organizations can and do make a difference. I salute Reverend Howerton and am pleased to represent a congressional district that includes a spiritual leader of Dr. Howerton's dedication and standing. We have all been inspired by his words today and I want to thank him for coming to Washington today to spread his message of hope.

PRESIDENTIAL RESCISSION BILLS

(Mr. FAWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAWELL. Mr. Speaker, there is a new and unique battle brewing between the Congress and the President. But it is one we should all welcome. It is one that taxpayers should welcome, too.

The President has sent 68 Presidential rescission messages to Congress calling for the rescission of 98 fiscal year 1992 appropriation projects. These rescissions total \$5.7 billion.

In a bipartisan spirit, the gentleman from Minnesota [Mr. PENNY] and I, joined by 26 cosponsors, have introduced bills which simply ask for a vote on these rescissions, project by project.

Seventy-three of these ninety-eight special projects circumvented most of Congress' established rules for passing appropriation projects.

□ 1130

The remaining 25 projects are deemed by the President to be low priority spending. I understand the Committee on Appropriations will respond with a rescission bill of its own, roughly an equivalent cut of fiscal year 1992 spending.

Think of it. That is big news. The administration and Congress are fighting over how many fiscal year 1992 appropriations projects should be rescinded. That is unique and novel, and I urge my colleagues to join as cosponsors of these bills.

UNEMPLOYMENT STATISTICS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, our country needs an economic recovery package. We need jobs to put people back to work. And we need the President to start working with Congress to get our economy moving.

These points are underscored by the unemployment figures for March. More than 9 million Americans are now out of work, and the unemployment rate is 7.3 percent.

But the administration continues to turn its back on the unemployed. Between March 1990 and March 1991, the Department of Labor undercounted the number of unemployed workers by 650,000—more than half of the people reported to be unemployed for that period.

I have met with families facing unemployment after a lifetime of work. I have met with business leaders and their employees in Connecticut who depend on defense spending and now face an uncertain future.

I challenge anyone to listen to Connecticut workers without sharing their fear. I cannot imagine how a Govern-

ment agency charged with looking after them could ignore so many.

The President must join with Congress and help us pass an economic recovery package that will provide hope and jobs. He cannot continue to turn his back on our Nation's unemployed workers and families and millions more who fear unemployment.

TWO THINGS AMERICA CAN DO FOR BOSNIA, CROATIA, AND SLOVENIA

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute.)

Mr. BROOMFIELD. Mr. Speaker, America finally has recognized Bosnia, Croatia, and Slovenia. That's a start. A good start. It brings our foreign policy in line with the European Communities.

But it's not enough. America needs to follow up with two important steps.

One, we need to inform Serbia in no uncertain terms that the world will not tolerate another Croatia. That small nation has suffered 10,000 deaths in its war with Serbia and the displacement of 700,000 people.

If the new world order has a meaningful future, this would be a good place to demonstrate it.

Two, now that the administration has lifted sanctions against these three new republics, we need to support close economic ties with them, particularly Croatia. The Croatian economy has endured a loss of as much as \$30 billion from its war with Serbia.

The best thing America can offer these new nations is its economic know-how and its huge market. Let us get on with it.

CAMPAIGN FINANCE REFORM

(Mr. MAZZOLI asked permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, later today or this week the House will take up the campaign finance reform conference report. I intend to support the conference report. It is a step in the direction that we should go to squeeze out big money and big special interests from the political process and put people back at the heart of the process where they should have been all these years.

However, the bill does not really go nearly far enough. Anyone who watched the PBS special last night about Congress and about money and politics had to be very, very concerned. At one point this Congress was called a kept Congress, a kept Congress. How demoralizing. How demeaning. How inglorious it is to be called a kept Congress.

But until we get rid of political action funds, until we get rid of any kind of big money, it seems to me we will al-

ways have this opprobrium heaped upon us, very unfairly but heaped on us nonetheless.

I intend to drop a bill in which will eliminate political action funds entirely from our political process. I hope to offer that to my colleagues here in the House.

I would be happy to talk to Members about it. Let us get rid of big money and put people back in the heart of the political process.

LET US DO AWAY WITH PROXIES

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, we are about to enter into another era of intrigue in the House. Now that there are so many cats out of the bag revealing the incredibly inept and corrupt management of the House by the Democrat majority, they have sequestered themselves into working groups for reform.

Now they are going to begin to come crawling out of their backrooms with their reform packages, and as we begin to look at them we can see exactly what their strategy is: Pork the perks but preserve the power.

One of the particular things that they are holding on to is their right in committees and subcommittees to vote with proxies, irrespective of their attendance. They want to guarantee their chairman his right to own enough votes to always have his way in the committee, as they have done in the past.

My recommendation for those of us in the minority is, do not participate in any committee or subcommittee markup unless the Democrats have been in attendance to make the quorum.

CONGRATULATIONS TO SECRETARY DERWINSKI

(Mr. FRANK of Massachusetts asked and was given permission to address the House for 1 minute.)

Mr. FRANK of Massachusetts. Mr. Speaker, I want to congratulate the Secretary of Veterans Affairs Derwinski. I do so on behalf of myself, the gentleman from Pennsylvania, who is the ranking minority member of the Subcommittee on Administrative Law, which I chair, and also the gentleman from Mississippi who chairs the Committee on Veterans' Affairs.

We had a glitch. We had an archaic procedure in the House known as chartering Federal organizations.

It took time. It involved some money. It involved some effort. And it was largely unnecessary because these charters had no real meaning.

Except we found that with regard to the Department of Veterans Affairs, to be a veteran service organization of

that Department you had to have a Federal charter. We thought that was an unnecessary requirement.

The gentleman from Mississippi and I wrote to Secretary Derwinski and asked him to look at that regulation, which he had inherited, and think whether it was not better for the Department to make its own individual decisions on who should be a veterans service organization, which allows us to get the Congress out of the business which ties up time and energy of issuing these purely honorary and unnecessary charters.

Recently, Secretary Derwinski did exactly that. We congratulate him for being unbureaucratic, for cutting red-tape and for enabling this Congress to do away with something that was an unnecessary use of our resources.

THE NEGATIVE EFFECTS OF FEDERAL REGULATION

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, Federal regulations and mandates are strangling the small business person in this country. Because of that, President Bush has issued a 90-day moratorium on these regulations.

Unfortunately, there are a lot of them in place or coming on line which are continuing to hurt the private sector. Because of that, it is costing Americans jobs.

For instance, OSHA has recently issued a regulation called the occupant protection in motor vehicles regulation. What it says in essence is that every employer who has somebody on the road has to give them a driver training program. That sounds good on the surface, except that it costs money. Every time we charge a small businessman more money, he has to pay out more money for some Government regulations. That is money that has to come out of his pocket or out of his business' pocket.

When it comes out of their pocket, that means there is less money to go around, and, hence, he has to start economizing. And it leads to job loss.

So I would just like to say to OSHA and to everybody, we have got to cut these Government regulations that are strangling the private sector. We cannot go on indefinitely like this or we are going to kill the free enterprise system.

GI BILL PAYING FOR ITSELF

(Mrs. PATTERSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. PATTERSON. Mr. Speaker, on July 1, the Montgomery GI bill will celebrate its seventh birthday. Thanks

in large part to the incentives offered by this education program, we now have the finest quality personnel we've ever had in our Armed Forces. It's also helping hundreds of thousands of our young men and women get a college education when they otherwise might not be able to afford it.

The Montgomery GI bill has 1.2 million participants so far, and the taxpayer is not yet having to foot the bill.

The Department of Veterans Affairs and the Department of Defense have paid out a total of just over \$1 billion for the basic entitlement for active duty and reserve participants. But, as a result of \$1,200 in pay reductions each active duty enrollee agrees to, we've put \$1.3 billion back into the Treasury and the Government has saved millions more by not having to borrow the money to pay these benefits.

Mr. Speaker, with the current GI bill, we did a good day's work. Not only did we design a program which is having a tremendous impact on military and economic strength, we made it cost effective. The GI bill is still paying for itself.

□ 1140

OSHA AND EXCESSIVE REGULATIONS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, as you know, burdensome Government regulation isn't just an annoyance—it can mean the elimination of jobs and livelihoods for Americans.

It's been my experience that the Washington bureaucracy has lost touch with the people. One of the reasons I decided to run for Congress was to bring the needs of the people to the Government and make Government listen and respond.

Workers in my district are preparing to lose their jobs because OSHA is preparing to hand down a new standard on cadmium levels in the workplace—a standard which far exceeds that of our foreign competitors and one which we don't even have the technology to comply with.

This regulation violates the basic tenant that Government should be for the people.

I do want to thank Congressman DELAY for putting together a task force that will focus on some of these ridiculous regulations. I hope we can, through this effort, bring some back-home common sense to this bureaucracy and remind them that the people are watching.

PERFORMANCE OF THE PATRIOT MISSILE IN OPERATION DESERT STORM

(Mr. ZELIFF asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. ZELIFF. Mr. Speaker, I would like to submit for the RECORD a statement concerning Patriot's performance in Desert Storm.

After listening to testimony before the Legislation and National Security Subcommittee of the House Government Operations Committee, there is conclusive evidence that the Patriot air defense system not only worked in Desert Storm but performed its mission exceptionally well. The men and women of the U.S. Army air defense forces have every reason to be proud of their performance which saved countless lives and rendered Saddam Hussein's terrorist Scud weapon essentially useless. The use of Patriot in Desert Storm was an essential element of maintaining the political will of the coalition forces and winning the war.

Most importantly, the American people now know that there is indeed an effective and much needed counter to a tactical ballistic missile attack. Unfortunately, other terrorist-leaning countries have Scuds or Scud-like weapons in their military inventories. They can be used again. A robust defense which incorporates lessons learned from Desert Storm is necessary in our military posture.

I support the U.S. Army Patriot air defense system. I support the Army's enhancement program for Patriot and recommend that the House appropriate sufficient funds to carry out the Army's plan to make Patriot even better for potential future conflicts.

CONFERENCE REPORT ON H.R. 3337, WHITE HOUSE COMMEMORATIVE COINS

Mr. TORRES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 3337) to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes, and that the conference report be considered as read when called up.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from California?

There was no objection.

(For conference report and statement, see proceedings of the House of Tuesday, April 7, 1992, at page 8263.)

The SPEAKER pro tempore. The gentleman from California [Mr. TORRES] will be recognized for 30 minutes, and the gentleman from California [Mr. McCANDLESS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of the conference report to H.R. 3337. The bill was recommitted to conference with instructions from the House.

The conference committee met the following day and agreed to a conference report which conformed to the House instructions that title V be stricken from the report.

I would like to thank all of my colleagues who have helped to move this legislation through the House.

I am pleased that we may soon enact legislation to commemorate the 1994 World Cup soccer games, James Madison and 200th anniversary of the Bill of Rights, the 200th anniversary of the laying of the cornerstone of the White House, the quincentenary of the discovery of the Americas, and the service of our Nation's Armed Forces in the Persian Gulf.

We have been working since last June to move this coin package.

WORLD CUP U.S.A. 1994 COMMEMORATIVE COIN BILL DESCRIPTION OF PROVISIONS

SECTION 2

This section sets forth the specifications of the gold, silver and clad coins. The specifications are identical to previous programs which will allow the Mint a smooth transition into this program.

The mintage levels established in the bill have been questioned by some claiming the level is too low while others argue it is too high. It is impossible to predict with effective accuracy exactly what the level of sales may be. The mintage level set in the bill is designed to strike a balance.

Since the World Cup is the largest single-sport spectacle in the world, the Committee believes the potential markets are much larger which will present the Mint with a unique opportunity for international sales. The Committee expects the Mint to work closely with the World Cup Organizing Committee in marketing the coins. The Mint's experience combined with the World Cup's international sports and marketing skills will provide an opportunity to reach the sales levels specified.

SECTION 4

This section requires the Mint to sponsor a nationwide open competition for the design of each coin. This section was added to comply with the Mint's view that the American public should be allowed to participate in the design of these coins.

SECTION 5

Subsection (b): The Mint has been criticized for not issuing bulk sale information to dealers until after the programs have begun. In the case of the Korean Coin Program, the bulk purchase conditions were not released until the final quarter of the program. This does not provide adequate time for bulk dealers to plan marketing programs.

The Committee expects the Mint to consult with leading coin dealers and the respective trade associations in 1993 and to prepare suitable bulk sales terms and conditions. These terms and conditions should be released as soon as possible in 1993.

Subsection (c): The Committee expects the Mint to be very aggressive in marketing the coins. Since the World Cup tournament will not be held until 1994, it is very important that the Mint work closely with the World Cup to secure a substantial number of pre-

paid orders. The Committee directs the Mint to work closely with the World Cup Organizing Committee to take advantage of every opportunity for early sales.

The Committee expects the Mint to pay the surcharges from prepaid orders to the World Cup Organizing Committee within a reasonable time after they are received.

Subsection (e): The World Cup will be held in several cities across the nation. This affords excellent marketing opportunities for the Mint. The Committee expects the Mint to work with banks and retailers in those venue cities to establish distribution outlets. The Mint may designate these distributors as "Official U.S. Mint World Cup Coin Distributors." The Mint should include in their reports to Congress a report detailing their efforts to develop this distribution system.

Subsection (f): The World Cup is an international sporting event. The Committee believes there is an excellent opportunity for international marketing. The Committee expects the Mint to work with the World Cup Organizing Committee to establish international marketing and distribution systems. The Mint may designate international distributors as "Official U.S. Mint World Cup Coin Distributors" with concurrence of World Cup 1994.

Subsection (g): The Committee intends for the Mint to work in a cooperative fashion with the Congress and World Cup to provide timely information on the performance of the coin program.

The Committee would like to see a very successful program and believes that cooperative reporting will provide the information necessary to help the Mint and World Cup maximize the potential of this program.

Since coin programs are short-term (i.e. one year in duration), it is difficult to react quickly to any potential marketing opportunities unless there is an ongoing update of what is actually occurring with the program.

The Committee anticipates the format of the reports will follow the example provided by the Mint in the Mint Budget Authorization Report—H.R. 2631; July 15, 1987; Page 77. Furthermore, we acknowledge that the Mint was required to provide similar reports by the 1984 Olympic Coin Program (P.L. 97-220). This reporting amendment attempts to follow the earlier reporting requirements so as not to be unnecessarily disruptive to the Mint operations.

The Committee understands that it will be difficult for the Mint to provide actual numbers in the early days of the program. Therefore, we recognize that the Mint will have to estimate many of the early costs. However, the Committee expects the Mint to update their estimates with the actual costs when they become available. Even the estimates will be helpful to show early trends in the programs performance.

SECTION 6

The Committee's intent is to have coins available for sale January 3, 1994. The terms "issued" and "issuance" are to be interpreted broadly, not restrictively. The Committee understands that coins sold on December 31, 1994 cannot practically be delivered to customers until 1995. The Committee expects the Mint to push coin sales through the end of the calendar year even if some deliveries have to be made in 1995.

SECTION 8

Subsection (a): The Committee intends that the purpose of the World Cup 1994 Commemorative Coin Program is to raise surcharges for the World Cup USA 1994 Organizing Committee. However, it is also our in-

tent that the program shall not result in any net cost to the Federal Government.

In prior coin programs, there has often been a residual operating profit at the conclusion of a program. This residual operating profit is the balance remaining from a specific program after the Federal Government has recovered all its costs to operate a program. The profit accrues because in order to comply with Section 11(a), the Mint must make sure it has raised sufficient funds from the sale of each coin to cover the costs associated with producing and marketing the coin. Since it is extremely difficult to predict exactly what those costs may be, the Mint must make sure their estimates are conservative so there is not a shortfall. In other words, this residual operating profit is the difference between the Mints estimated costs and their actual costs.

While the Committee accepts this practice as a means to insure that a coin program results in no net cost to the Federal Government, the Committee feels strongly that the Mint is subject to unfair criticism if the leftover funds are not spent on activities directly related to the particular program.

The Committee is concerned that the Mint is placed in a position of conflict and forced to choose between the legislative intent of a coin program (e.g. to raise surcharges for a specific cause) and its professional judgment on how to manage a coin program. For example, in prior programs, the Mint has been asked to expend these residual profit monies on marketing initiatives to sell more coins. However, in their professional judgment, the Mint has responded that the amount of money spent on marketing may actually exceed the surcharges generated as a result of the marketing. Therefore, the Mint concluded it was unsound to expend say \$100,000 on a marketing ad which may only produce \$25,000 in surcharges. We respect the Mint's professional judgment and recognize we must rely on their coinage expertise. We believe the language in Section 8(a) will remove the Mint from future criticism.

The surcharge language in Section 8(a) is designed to insure that decisions effecting a coin program are made in the best interests of the program. Furthermore, it eliminates the Mint's dilemma of having to make sound business decisions in which they are left open to unfair criticism because they are perceived to be promoting their own interests at the expense of the benefitting organization. Under this language, the remaining funds (e.g. the residual operating profits) will be deemed surcharges and distributed to the Secretary of the Organizing Committee.

Under our earlier hypothetical, if the Mint decided it was not in the best interest of the program to expend the \$100,000 on a marketing ad, at the end of the program that \$100,000 would be deemed a surcharge and transferred to the benefitting organization. This way the Mint could comply with the legislative intent of the program without being criticized that its decision not to expend the money was influenced by what the Mint stood to gain. At the conclusion of the program, the Committee directs the Mint to pay to the World Cup Organizing Committee all remaining funds from the sale of the coins.

The Committee intends that ten percent of the funds made available by subsection 8(a) will be available to the United States Soccer Federation Foundation, Inc. for distribution to institutions for scholastic scholarships to qualified students. The scholastic scholarships shall go to three institutions that meet the previously published criteria: the Na-

tional Council of La Raza; the National Hispanic Scholarship Fund; and the Hispanic Business National Scholarship Fund.

Definition of "qualified student"—The Committee intends that the term "qualified students" be interpreted narrowly by institutions providing scholastic scholarships. The Committee intends to limit scholarships under this section to the most undereducated persons and groups in American society. The Committee expects that "qualified students" shall be identified based on the following criteria:

Individuals who are "first-generation" college students, i.e., whose parents did not complete a course of study at an accredited institution of higher learning; and

Individuals who are "economically disadvantaged", i.e., who come from families with incomes at or below the median family income of the U.S. population, or who are members of communities with median incomes at or below 70% of the median family income of the U.S. population; and

Individuals who are "educationally disadvantaged," because of developmental disability, national origin, nativity or limited-English proficiency, or attended school districts with dropout rates at least twice as high as the national average; and

The scholastic scholarship fund will be targeted to minority student groups that have a high school completion rate of less than 60 percent.

Provided further, that at least one such institution serves as an umbrella organization for at least 125 affiliated local community-based organizations. Such institution provides capacity-building assistance, public policy analysis and advocacy, public information efforts, and special catalytic efforts on behalf of economically and educationally disadvantaged persons. Such institution is governed by organizational by-laws that require a Board of Directors reflective of the geographic, gender and ethnic composition of a target population consisting principally of qualified students and their families as defined in this section. Such institution includes a corporate board of advisors composed of at least twenty senior executives of major corporations.

That at least one such institution is a 501(c)(3) nonprofit organization whose sole mission is to provide scholarship assistance to qualified students in all fifty states and Puerto Rico. Scholarship recipients are selected on the basis of academic achievement and personal strengths, and represent hundreds of both public and private colleges and universities across the nation. Recipients are also reflective of the composition of five national regions. Such institution annually selects scholarship recipients using a process of regional review committees. In addition, such institution is government by organizational bylaws which require a board of directors comprised of corporate and educational leaders.

That at least one such institution is a 501(c)(3) nonprofit organization with a national scope and a primary goal to provide post high school scholarship assistance to qualified students in all fifty states and the territories of the United States of America. Scholarship recipients are selected on the basis of academic achievement, community leadership and financial need. Such institution is governed by organizational by-laws that require officers, board of directors, and trustees who are business and community leaders throughout the nation and are dedicated to the educational advancement of a target population of qualified students as defined in this section.

Student eligibility: A qualified student who is in attendance or who has been accepted for admission, as a full-time undergraduate or graduate student at an accredited institution of higher education may apply.

The Committee recognizes that institutions must have some flexibility in the selection of scholarship recipients; however, we expect that, except in unusual or exceptional circumstances, each scholarship recipient shall meet the three of the four broad criteria in addition to other criteria set forth by the institution.

SECTION 11

As mentioned earlier, the Committee expects the Mint to use best efforts to insure this program results in no net cost to the Federal Government.

Mr. Speaker, I reserve the balance of my time.

Mr. MCCANDLESS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the conference report on H.R. 3337.

The bill has been before the House twice. In both instances, it contained provisions that mandated the redesign of our circulating coins.

In both instances, the House voted to reject coin redesign.

The conference report before us now reflects the House's position.

All provisions and references to coin redesign have been eliminated from the bill.

Let me repeat that. All provisions and references to coin redesign have been eliminated from the bill.

H.R. 3337 is now a package of four commemorative coins and a commemorative medal, all of which have very strong bipartisan support.

The proceeds from the sale of the coins will be used to fund significant programs.

Proceeds from the White House commemorative coin will be used for furnishings and maintenance of the public rooms of the White House.

Proceeds from the World Cup commemorative coin will be used to promote and stage the 1994 World Cup soccer games in the United States.

Proceeds from the Christopher Columbus commemorative coin will be used to provide scholarships for research and exploration.

Proceeds from the James Madison/Bill of Rights commemorative coin will be used to provide scholarships for teachers for advanced studies in U.S. history and the Constitution.

The bill also provides for a silver medal to be awarded to veterans of the Persian Gulf war. The medal is to be funded by the sale of duplicates and private donations.

The passage of this conference report will not result in any net cost to the Federal Government.

Now that coin redesign has been eliminated, H.R. 3337 has my strong support.

I urge my colleagues to support the conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. TORRES. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. ANNUNZIO], a former chairman of the Subcommittee on Consumer Affairs and Coinage of the Committee on Banking, Finance and Urban Affairs, and a sponsor of the prime quinqucentenary coin.

Mr. ANNUNZIO. Mr. Speaker, I want to commend the distinguished chairman of the Consumer Affairs and Coinage Subcommittee, the gentleman from California [Mr. TORRES] for his work in bringing this legislation to the floor today. He is to be commended for his leadership in the coinage field.

Mr. TORRES has succeeded in bringing to the House a coin bill that should enjoy unanimous support, and I rise in strong and enthusiastic support for the bill.

Title IV of this legislation contains the Christopher Columbus Coin and Fellowship Act. This legislation, which I introduced last year as H.R. 500, would authorize the minting of coins in commemoration of the quinqucentenary of the discovery of the New World by Christopher Columbus. H.R. 500 passed the House last July by a vote of 408-2.

The most important aspect of this program is not the commemorative coins, but the establishment of the Columbus Fellowship Foundation. The Foundation will award fellowships to assist modern day explorers in their search for discoveries that can benefit mankind. Through the coin program, the scholarships will be awarded at no cost to the Nation's taxpayers.

This legislation also contains provisions for a World Cup soccer commemorative coin. The World Cup is the most significant event in the world for soccer, and I am pleased that my home of Chicago has been chosen as a site for the World Cup games. The coin program will help ensure a successful World Cup event.

Mr. Speaker, this coin bill is now completely noncontroversial. I hope that it will be come law quickly, so that the Mint can begin designing and minting the Columbus coins in time for the celebration this fall. Then mankind can begin benefiting from the new discoveries of Columbus scholars.

I urge adoption of the conference report.

Mr. WYLIE. Mr. Speaker, I rise today in strong support of the conference report for H.R. 3337, an omnibus coin bill. At the outset, I want to commend Subcommittee Chairman TORRES and the subcommittee's ranking Republican member AL MCCANDLESS for their perseverance in getting this bill to the floor. I also want to commend my colleagues who voted on April 2, 1992, to recommit the conference report with instructions to disagree to the Senate amendments relating to coin redesign. Let me assure my colleagues that the Senate did recede to the House position with regard to coin redesign—the conference report

for H.R. 3337 contains only noncontroversial coin bills—it does not provide for coin redesign. I know that many Members find coin redesign as objectionable as I do and I want to be perfectly clear—coin redesign is no longer in the bill.

As I mentioned, the conference report contains five noncontroversial coin bills: The White House coin bill, the Christopher Columbus coin bill, the World Cup coin bill, the James Madison coin bill and the Desert Storm Medal. I would like to briefly discuss two of those bills with which I am most familiar.

First, I want to indicate my strong support for the White House coin bill. The White House coin bill will commemorate the 200th anniversary this year of the laying of the White House cornerstone. The cornerstone ceremony took place on October 13, 1792, and celebrated the completion of the first Federal building to be constructed in the Nation's Capitol. H.R. 3337 authorizes the Secretary of the Treasury to mint and issue \$1 silver coins to commemorate this historical event and to providing funding for the preservation and refurbishing of the White House. The legislation requires that the sales price of the coin cover all costs to the Government and includes a surcharge of \$10 per coin.

Proceeds from the surcharge are to be paid to the White House Endowment Fund to help meet its goal of establishing a \$25 million source of permanent funding for the White House. Such funding will be used to support the White House collection of fine art and antique furnishings and to preserve the public rooms of the White House which are visited by over 1.5 million people annually.

Second, I want to indicate my support for the Christopher Columbus Coin and Fellowship Act included in the conference report. I would like to praise Congressman ANNUNZIO for the splendid work he has done on this bill over the last several years.

Christopher Columbus represents a special figure in America's history to me and one I believe is truly worth commemorating. I represent and live in Columbus, OH, which was named after the great explorer. Indeed, Columbus, OH, is the largest city in the world named for the explorer. Our town with its great university, Ohio State, and its other educational institutions is a place that I feel has captured the spirit of Christopher Columbus.

It seems highly appropriate to me that not only does this bill commemorate the 500th anniversary of the discovery of America, but it also establishes an educational foundation to promote research designed to produce new discoveries in all fields of endeavor for the benefit of mankind. I am hopeful that our university, Ohio State, will, in the near future, have several Columbus scholars that will be able to identify both with the explorer and our city.

Again, I want to commend Subcommittee Chairman TORRES, Congressman MCCANDLESS, and all my colleagues for their part in bringing the conference report for H.R. 3337 to the floor today. I urge my colleagues to pass the conference report and send it on to the President for his signature.

□ 1150

Mr. MCCANDLESS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TORRES. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCCANDLESS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 414, nays 0, not voting 20, as follows:

[Roll No. 74]

YEAS—414

Abercrombie	Coleman (MO)	Gallegly
Ackerman	Coleman (TX)	Gallo
Alexander	Collins (IL)	Gaydos
Allard	Collins (MI)	Gedens
Allen	Combest	Gekas
Anderson	Condit	Gephardt
Andrews (ME)	Conyers	Geren
Andrews (NJ)	Cooper	Gibbons
Andrews (TX)	Coughlin	Gilchrest
Annunzio	Cox (CA)	Gilman
Anthony	Cox (IL)	Gingrich
Applegate	Coyne	Glickman
Archer	Cramer	Gonzalez
Armey	Crane	Gondding
Aspin	Cunningham	Gordon
Atkins	Dannemeyer	Goss
AuCoin	Davis	Gradison
Bacchus	de la Garza	Grandy
Baker	DeFazio	Green
Ballenger	DeLauro	Guarini
Barnard	DeLay	Gunderson
Barrett	Dellums	Hall (OH)
Barton	Derrick	Hall (TX)
Bateman	Dickinson	Hamilton
Beilenson	Dicks	Hammerschmidt
Bennett	Dingell	Hancock
Bentley	Donnelly	Hansen
Bereuter	Dooley	Harris
Bevill	Doolittle	Hastert
Bilbray	Dorgan (ND)	Hatcher
Blackwell	Dornan (CA)	Hayes (IL)
Bliley	Downey	Hayes (LA)
Boehler	Dreier	Hefley
Bonior	Durbin	Hefner
Borski	Dwyer	Henry
Boucher	Dymally	Herger
Boxer	Early	Hertel
Brewster	Eckart	Hoagland
Brooks	Edwards (CA)	Hobson
Broomfield	Edwards (OK)	Hochbrueckner
Browder	Edwards (TX)	Holloway
Brown	Emerson	Hopkins
Bruce	Engel	Horn
Bryant	English	Horton
Bunning	Erdreich	Houghton
Burton	Espy	Hoyer
Bustamante	Evans	Hubbard
Byron	Ewing	Huckaby
Callahan	Fascell	Hughes
Camp	Fawell	Hunter
Campbell (CA)	Fazio	Hutto
Campbell (CO)	Feighan	Hyde
Cardin	Fields	Inhofe
Carper	Fish	Ireland
Carr	Flake	Jacobs
Chandler	Foglietta	James
Chapman	Ford (MI)	Jenkins
Clement	Ford (TN)	Johnson (CT)
Clinger	Frank (MA)	Johnson (SD)
Coble	Franks (CT)	Johnson (TX)
	Frost	Johnston

Jones (GA)	Myers	Schumer
Jones (NC)	Nagle	Sensenbrenner
Jontz	Natcher	Sharp
Kanjorski	Neal (MA)	Shaw
Kaptur	Neal (NC)	Shays
Kasich	Nichols	Shuster
Kennedy	Nowak	Sikorski
Kennelly	Nussle	Sisisky
Kildee	Oakar	Skaggs
Klecza	Oberstar	Skeen
Klug	Obey	Skelton
Kolbe	Olin	Slattery
Kolter	Olver	Slaughter
Kopetski	Ortiz	Smith (FL)
Kostmayer	Orton	Smith (IA)
Kyl	Owens (NY)	Smith (NJ)
LaFalce	Owens (UT)	Smith (OR)
Lagomarsino	Oxley	Smith (TX)
Lancaster	Packard	Snowe
Lantos	Pallone	Solarz
LaRocco	Panetta	Solomon
Laughlin	Pastor	Spence
Leach	Patterson	Spratt
Lehman (CA)	Paxon	Staggers
Lehman (FL)	Payne (NJ)	Stallings
Lent	Payne (VA)	Stark
Levin (MI)	Pease	Stearns
Lewis (CA)	Pelosi	Stenholm
Lewis (FL)	Penny	Stokes
Lewis (GA)	Perkins	Studds
Lightfoot	Peterson (FL)	Stump
Lipinski	Peterson (MN)	Sundquist
Livingston	Petri	Sweet
Lloyd	Pickett	Swift
Long	Pickie	Synar
Lowery (CA)	Porter	Tallon
Lowey (NY)	Poshard	Tanner
Luken	Price	Tauzin
Machtley	Pursell	Taylor (MS)
Manton	Quillen	Taylor (NC)
Markey	Rahall	Thomas (CA)
Marlenee	Ramstad	Thomas (GA)
Martin	Ravenel	Thomas (WY)
Martinez	Ray	Torres
Matsui	Reed	Torricelli
Mavroules	Regula	Towns
Mazzoli	Rhodes	Trafiacant
McCandless	Richardson	Traxler
McCloskey	Ridge	Unsoeld
McCollum	Rinaldo	Upton
McCrery	Ritter	Valentine
McCurdy	Roberts	Vander Jagt
McDade	Roe	Vento
McDermott	Roemer	Visclosky
McEwen	Rogers	Volkmer
McGrath	Rohrabacher	Vucanovich
McHugh	Ros-Lehtinen	Walker
McMillan (NC)	Rose	Walsh
McMillen (MD)	Rostenkowski	Washington
McNulty	Roth	Waters
Meyers	Roukema	Waxman
Michel	Rowland	Weiss
Miller (CA)	Roybal	Weldon
Miller (OH)	Russo	Wheat
Miller (WA)	Sabo	Williams
Mineta	Sanders	Wilson
Mink	Sangmeister	Wise
Moakley	Santorom	Wolf
Mollinari	Sarpalius	Wolpe
Mollohan	Savage	Wyden
Montgomery	Sawyer	Wyllie
Moody	Saxton	Yates
Moorhead	Schaefer	Yatron
Moran	Scheuer	Young (AK)
Morella	Schiff	Young (FL)
Murphy	Schroeder	Zeliff
Murtha	Schulze	Zimmer

NAYS—0
NOT VOTING—20

Berman	Gillmor	Rangel
Billakis	Jefferson	Riggs
Boehner	Levine (CA)	Serrano
Costello	Mfume	Thornton
Darden	Morrison	Weber
Dixon	Mrazek	Whitten
Duncan	Parker	

□ 1234

Mr. ORTON changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TORRES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from California?

There was no objection.

SUNDY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. McCathran, one of his secretaries.

RECOMMITTAL OF CONFERENCE REPORT ON S. 3, SENATE ELECTION ETHICS ACT OF 1991, TO COMMITTEE ON CONFERENCE WITH INSTRUCTIONS

Mr. FROST. Mr. Speaker, I ask unanimous consent that it be in order to consider a motion, to be offered by the gentleman from California [Mr. THOMAS], to recommit the conference report on the Senate bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, with instructions to the managers on the part of the House on the further conference on S. 3 to insist on the inclusion in the conference report of the provisions of the bill (H.R. 4101) to prohibit Members of the House of Representatives from making franked mass mailings outside their congressional districts and to prohibit payment from official allowances for mass mailings by Members of the House of Representatives outside their congressional districts; said motion to be debatable for not to exceed 60 minutes; and that the previous question shall be considered as ordered on the motion to final adoption without intervening motion.

Further, upon adoption of the motion, I ask unanimous consent that House Resolution 420 be laid on the table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from California [Mr. THOMAS].

MOTION TO RECOMMIT OFFERED BY MR. THOMAS OF CALIFORNIA

Mr. THOMAS of California. Mr. Speaker, I offer a motion to recommit.

The Clerk read as follows:

Mr. THOMAS of California moves to recommit the conference report on the bill S. 3 to conference with instructions that the Managers on the part of the House insist on the inclusion in the conference report of the provisions of the bill H.R. 4101, as introduced by Representative Thomas of California, a bill "to prohibit Members of the House of Representatives from making franked mass mailings outside their congressional districts and to prohibit payment from official allowances for mass mailings by Members of the House of Representatives outside their congressional districts."

The SPEAKER pro tempore. The gentleman from California [Mr. THOMAS] is recognized for 1 hour.

Mr. THOMAS of California. Mr. Speaker, I yield half of my time, 30 minutes, to the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume.

Mr. Speaker, I am pleased to see a motion in front of the House of Representatives which has not been able to be scheduled in either of the two committees of jurisdiction, to change the current law having to do with Members' ability to send franked mail, not just to their constituents but to people who are not now their constituents nor will they ever be their constituents.

I believe there was a fundamental mistake made last year when this was expanded beyond the historical scope to use it only during periods of redistricting. I am pleased that the majority has been willing to allow the historical and traditional practice of members of the Minority to offer the motion to recommit. So I am pleased with this motion, both in terms of substance and in terms of procedure.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas [Mr. FROST].

Mr. FROST. Mr. Speaker, we do not have any speakers at this time, and I would defer to the gentleman from California [Mr. THOMAS].

Mr. THOMAS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. WALSH].

Mr. WALSH. Mr. Speaker, I thank the gentleman from California for yielding time to me, and I thank the Chair for recognizing me to speak on this important issue.

I will not go into length about the substance of the conference report, but I would state that there are a number of issues in it that I strongly disagree with. But I do believe that every Member should support this motion to recommit.

The inclusion of the prohibition on franking outside of a congressional district is a very positive addition to this report. There is no need for us to be mailing to individuals who are not our constituents outside of our congressional districts. It is an expensive proc-

ess. Franking costs the American taxpayer millions and millions of dollars, and we should at least resolve ourselves not to be mailing outside our districts, the districts we are responsible for.

So, Mr. Speaker, I rise in support of the motion offered by the gentleman from California [Mr. THOMAS], and I urge unanimous support for this motion to recommit.

□ 1240

Mr. THOMAS of California. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. LEACH], who has long been involved with campaign finance reform.

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I just had a query for the distinguished chairman on the Democratic side.

As I understand it, this is a clerical error we are dealing with. But was it a clerical error that the House gets a \$5,000 cap on PAC money, and the Senate \$2,500, or is it the decision of the committee that the House is not going to take as principled a position as the Senate, or is it a clerical error?

Mr. FROST. Mr. Speaker, will the gentleman yield?

Mr. LEACH. I yield to the gentleman from Texas.

Mr. FROST. Mr. Speaker, I was not a member of the conference committee. I can only tell the gentleman what I know having read the conference committee documents. But I was not a conferee.

It is my understanding from having read the documents that there is a separate limit on PAC contributions for the U.S. Senate and a separate limit on PAC contributions for Members of the House of Representatives. It is not a typographical error, or it is not a clerical error.

Mr. GEJDENSON. Mr. Speaker, will the gentleman yield?

Mr. LEACH. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, I would explain to the gentleman that the House limit is actually more comprehensive than the Senate limit, because the House limit not only limits PAC contributions in total amounts to campaigns, but the House also limits contributions from large donors. So anything over \$200 is also limited in the House bill as well.

Mr. LEACH. Mr. Speaker, reclaiming my time, one can still receive \$5,000 from a PAC, instead of \$2,500?

Mr. GEJDENSON. Mr. Speaker, if the gentleman will yield further, one can receive \$1,000 from individuals up to one-third. So while we have kept the limits the same, we have limited not just political action committees, the Sierra Club and others, but also limited the chairman of the board of Exxon and his colleagues. So I think

that will make the playing field far more level.

Mr. LEACH. Mr. Speaker, I certainly appreciate the clarification of the gentleman from Connecticut [Mr. GEJDENSON].

Mr. THOMAS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this motion to recommit is in the area of franking. As most Members now know, there was a technical drafting error in the conference report in which the Senate provision that was passed by the Senate in their campaign finance bill not allowing any franked mail being sent in an election year was apparently inadvertently applied to the House. So the subject matter before us now is I believe properly not the entire campaign finance reform bill, which will be before us if in fact this motion to recommit goes to conference and the franking provisions are adjusted.

Mr. Speaker, I fervently hope that the franking provisions are adjusted, not just by removing the technical glitch, but taking the language contained in 4104 and including it in that conference report.

When that comes back there will be ample time to debate the entire structure of campaign finance reform as proposed by the Democrats in their conference report and as offered by Republicans in both bodies.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. MILLER].

Mr. MILLER of Ohio. Mr. Speaker, I rise in support of this procedural motion to include the provisions of H.R. 4104, a bill to prohibit franked mass mailing outside a Member's district, in H.R. 3750. I congratulate my friend and colleague, the gentleman from California [Mr. THOMAS] for bringing this to the floor and agree with him that this may be the only opportunity to ban this wasteful practice.

As one who has been a longstanding opponent of the frivolous and abusive use of the congressional franking privilege, I think we have an opportunity today, to make it clear to the American people that we are sincere in our efforts to change some of the practices that have served to sully the name of this institution.

As many of you may recall, over the years I have made repeated efforts to rein in the costs of congressional mailing, by limiting the number of postal patron mailings Members could send to their respective constituencies.

In my judgment the most frivolous and self-serving use of this franking privilege is that aspect addressed by H.R. 4104. By permitting Members of Congress to make these mailings into areas that they presently do not represent, as we do now, serves nobody's interests, but the Member in question. It costs the American taxpayer both in terms of production costs and mailing

costs, millions of dollars each year. Let's face it, such mailings outside one's district serve as little more than campaign tools. This is particularly apparent in a year such as this where redistricting has changed previously established congressional lines. I think it is fair to say, that a Member would not be so eager to mail into these new areas being added to their current districts, if it wasn't for the fact that they would be standing for election before these very constituents this fall.

It is time to put our money where our mouth is so to speak; it is time to put a stop to this unnecessary waste of taxpayers dollars by prohibiting the sending of such franked postal patron mail outside one's current district.

Mr. FROST. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I would like for a point of clarification to ask the gentleman from California [Mr. THOMAS], is it the intent of the gentleman's motion to instruct that the conferees correct the mistake, the original mistake made in the conference report, whereby the documents did not reflect the true agreement of the conferees?

Mr. THOMAS of California. Mr. Speaker, will the gentleman yield?

Mr. FROST. I yield to the gentleman from California.

Mr. THOMAS of California. Mr. Speaker, the motion to recommit, the subject matter is in fact franking, which is within the scope and context of H.R. 4104. Once that bill is recommitting to conference, it is my understanding that any subject matter can be reexamined, and if there was in fact a technical error, which I understand there was, that technical error certainly can be corrected.

So although there is no specific language in the motion to recommit, the substance moves it back to the full conference for the conference to work its will.

Mr. FROST. Mr. Speaker, I thank the gentleman for that clarification.

Mr. THOMAS of California. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I wish to commend the gentleman from California [Mr. THOMAS] for offering this motion. I think it is eminently fair and just and something the American people strongly support. I would hope that the vote on this would be unanimous.

It certainly does not make sense for us to be mailing into areas that we do not represent. I think this motion will reflect that. I hope the conferees not only will hear what we say today, but will follow what we say here today.

Mr. THOMAS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I rise in support of the motion which will recommit H.R. 3750 to the conference committee.

Originally, this rule would have instructed the conference to correct a technical error. However, the Democrats have allowed Mr. THOMAS to offer his motion which instructs the conferees to prevent franked mass mailings outside the Member's district.

As a member of the conference committee, I guess I should feel embarrassed that we made an error and need to go back to the conference to fix the problem. But, I can't personally feel embarrassed because I was out of the loop on the development of this bill.

I would willingly have participated in negotiations with the majority party during the conference. Unfortunately, the tradition of compromise and give and take was available only to the Democrat members and the Democrat staff. At the first meeting of the conference committee we heard eloquent opening statements from members of the conference on the need for reform, and then the staff was directed to meet to work out the differences between the House and Senate bills. At the staff meeting, the Republican staff was handed a thick package of conference staff recommendations. The Republican staff was then briefed on what compromises had been made by the Democrat staffers in the House and Senate. Our staff had no real input.

Apparently, the Democrats made an error in their intrafamily negotiations. They forgot to delete a provision of the Senate bill which prevented Senators from sending out franked mass mailings during an election year. By including this provision, the Senate admitted that taxpayer-funded mass mailings in an election year are an unacceptable incumbent perk. Unfortunately for the Democrat managers of the bill, this provision was unintentionally applied to the House. Apparently, franked mass mailings during an election year are an abuse on the other side of the Capitol, but they are a necessity on the House side. This is curious reform.

Republicans are in the minority in the House and the Senate and are eager to reduce the considerable advantages enjoyed by incumbents in political campaigning. Franked mass mailings are a blatant example of incumbent privilege. So, it is surprising that the House Democrats want to recommit the campaign spending limit and election reform conference report in order to reinstate franked mass mailings during an election year. This motion seems inconsistent with the goal of reforming political campaigns. No wonder the American people want to throw the rascals out.

I support the efforts of Mr. THOMAS to instruct the conferees to include in the conference report the provisions of

H.R. 4104 introduced by Representative THOMAS of California—a bill to prohibit franked mass mailing outside a Member's district. This measure represents true reform to prevent the gross abuse of the frank for strictly political purposes. Defenders of the frank maintain that Members must be allowed to communicate with their constituents. Sending franked mass mailings to non-constituents is a blatant violation of the franking privilege.

Therefore, I urge my colleagues to support the motion to recommit the conference report with instructions.

Mr. THOMAS of California. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. NUSSLE].

Mr. NUSSLE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would rise in strong support as a cosponsor of this piece of legislation. I will just point out to Members that while this is a good first step, I think many more steps need to be taken with regard to our franking privilege.

It is one thing to talk about campaigning outside of the district that we are elected to represent. It is another thing to address the issue of campaigning inside the district we were elected to represent by using the frank inside the district for campaign and political purposes.

□ 1250

While we have rolled back and started to reform the process back to a period of time when we were allowed to use this frank outside the district, we also have to talk about real reform of the frank.

I have a bill that would eliminate the frank, that would talk about using stamp or metered mail as our constituents have to. I go to town meetings and they cannot understand how we are able to send out junk mail, and much of it is junk mail, and my colleagues all know that, for political purposes even within our district.

So I rise in support of this particular measure as a good first step, but many more steps need to be taken in the future.

Mr. THOMAS of California. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, I rise in support of the Thomas effort to overturn this rule and recommit it to the Committee on Rules. The frank was put into the U.S. Constitution as a communication tool by which Members could communicate with their existing constituents.

We have through the rules of the House of Representatives changed that very straightforward and worthwhile obligation to a system where now Members can communicate not only with their existing constituents, they may communicate by use of the frank with constituents in counties adjacent

to their existing districts and to areas that might be included in new districts under redistricting.

I think that is an abuse of the franking privilege. I think it is using taxpayer money to finance a surrogate campaign for reelection. I think it should be ended. I think we should commend the gentleman from California [Mr. THOMAS] for offering his fat-free franking bill. I want to give a specific example of what I am talking about.

Right here is a letter addressed to the Barton Family, 701 Williamsburg, Ennis, TX 75119. That is my home address.

This letter was not sent to me by myself, the gentleman from Texas [Mr. BARTON]. It was sent to me by the gentleman from Texas [Mr. FROST] of the 24th District.

This is a good piece of franked material. He is asking about a health care reform package. He sends a very worthwhile questionnaire which is well done.

The problem is that I am not in his existing congressional district. I am not going to be in his new congressional district. But I do happen to be in a county that is adjacent to his existing congressional district.

This should be prevented. This should be stopped. This is only one example.

I have received five other pieces of material from the gentleman from Texas [Mr. FROST] in the last 3 months. It is legal. It is not illegal, but it is unethical.

We should stop it. We should support the gentleman from California [Mr. THOMAS]. We should bring his bill up for the vote and we should pass it.

The ability to eliminate fat franking, the Thomas bill, has been supported by the Washington Times, the New York Times, every major newspaper in the State of Texas, including the Fort Worth Star-Telegram, as recently as this week. So I would hope that we support the gentleman from California [Mr. THOMAS]. Let us put an end to this kind of unnecessary and taxpayer-financed surrogate campaigning. Let us pass the Thomas fat-free frank.

The way to do that is defeat this motion, go back to the Committee on Rules, make the Thomas amendment in order on the bill before us.

Mr. Speaker, I include for the RECORD the letter to which I referred.

HOUSE OF REPRESENTATIVES

Washington, DC, March 12, 1992.

The BARTON FAMILY,
701 Williamsburg,
Ennis, TX.

DEAR FRIENDS: The availability of quality health care for all Americans is clearly one of the most important issues Congress must face in the coming months. I recently conducted a series of town hall meetings on health care and Congress is now considering a series of proposals from President Bush and others on this question.

One proposal under consideration would provide Medicare-like benefits for everyone, with a single deductible and limits on out-of-

pocket expenses. The program would be administered like Medicare by private insurers. Another proposal would provide health benefits through a public/private system. All employers would be required to either provide coverage for their employees and their dependents, or contribute to the public program which would provide the coverage.

A third proposal would establish a universal coverage system, eliminating all out-of-pocket costs to individuals. The benefits would include prescription drugs and long-term care without deductibles for co-insurance. Finally, the Bush Administration's plan would use vouchers and tax credits to reduce out-of-pocket costs, but would leave the present health care system largely unchanged.

I have included an insert which provides more details and compares the proposals mentioned above. I would appreciate it if you could take a minute to study these various approaches and then let me know which one makes the most sense to you. Simply fill out the form at the bottom of the insert indicating your preference and return it to me in Washington.

I look forward to hearing from you soon.

Sincerely,

MARTIN FROST,
Member of Congress.

Mr. THOMAS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. THOMAS of California. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I would ask the gentleman from California [Mr. THOMAS], I believe I understand that which he is attempting to accomplish here by way of his suggested amendment which is to eliminate the mailing, the use of the frank outside of an individual Member's existing district.

Could the gentleman explain for me, so I have a better understanding of the procedure here, exactly why the Democrats feel they need to go back and undo this rule in the first place? What is wrong with the bill as they brought it out of conference?

Mr. THOMAS of California. Mr. Speaker, I would tell the gentleman that I have had some concern about the unwillingness of the committees of jurisdiction; namely, the Committee on Post Office and Civil Service and the Committee on House Administration, of not scheduling a hearing for this bill on H.R. 4104 on franking that we have introduced in the House.

As the gentleman from Texas just mentioned, more than a dozen major newspapers have editorialized in favor of it yet we are not able to get even a hearing in committee.

What we have in front of us is a motion to recommit the campaign finance bill and the subject matter of franking is being used, frankly, as a vehicle, if Members will allow me that, as a vehicle to go back to conference.

I do not believe, and I may be mistaken, but I do not believe the majority's intent is to fully appreciate the

fundamental change as contained in H.R. 4104 and move that forward in a bill that most assuredly will probably get the President's veto.

I hope it is a signal that we can move forward in committee so that the substance of H.R. 4104 can become law.

But the immediate problem is the fact that the staff, in drafting the conference report, in attempting to meld the provisions that the conferees agreed upon between the Senate and the House does, in fact, contain a mistake. It contains an error.

A provision which was contained in the Senate bill banning the use of the frank during an election year, which the Senate has chosen to self-impose in its legislation that it passes, was inadvertently applied to the House. So that the conference report included the House and the Senate. There never was a provision banning franking in the House bill, and it is a technical drafting error. It needs to be corrected by going back to the conference.

I am pleased that the Democrats allowed the Republicans to offer the motion to recommit, and that it is the substance of H.R. 4104 which is the motion to recommit.

I do hope that it includes an acceptance of the content of H.R. 4104. I hope it is included in the conference report that is reported back to us. But more importantly, since I fervently believe that that report, if passed to the President, will be vetoed, I hope it signals a willingness on the part of the Democrats to schedule timely hearings on this bill in the committees of jurisdiction and move it forward.

The short answer, it was a mistake by some staffer and we are attempting to correct it.

Mr. LEWIS of California. Mr. Speaker, if the gentleman will continue to yield, to clarify one more time, what the gentleman is suggesting to me is that by way of an error, this bill would cause the House of Representatives not to be able to use franked mail during the 12-month period preceding election similar to the limitation that the Senate has placed upon itself, and they would want to undo that so they could make sure that they could mail in any quantity or volume regardless of the quality of mail that they wished during that 12-month period preceding election; is that right?

Mr. THOMAS of California. Mr. Speaker, I would tell the gentleman, neither the Senate provision, which bans mail during election years, or any House contemplation would deny the ability of a Member to communicate with a constituents. The banned provisions pertain to mass mailings. Mass mailings which are, I believe, the area that has predominantly been the abused area and not the ordinary single letter communications with constituents either initiated by the Member or in response to a letter sent by a constituent.

So the Senate decided that in 1 out of every 6 years they would ban all mass mail. The House did not have that provision.

It was included inadvertently, and there is going to be an attempt to correct it.

Mr. LEWIS of California. Mr. Speaker, if the gentleman will continue to yield, I believe the gentleman knows very well the effort that I have been involved in, along with the gentleman, to put significant limitations upon mass mailing over the years. That kind of use of the frank has been a part of the effort around here to build a base in-house to assure the reelection of incumbents.

Indeed, if I understand correctly, this recommittal motion, it is essentially designed to undo a mistake that would tend to undermine some of the continuing availability of mass mail, which I consider, as the gentleman does, to be largely mail that is for reelection purposes.

It is ironic to me that they would have such a problem in a campaign reform bill, the very bill that lays the foundation for authorizing taxpayer-financed campaigning.

Indeed, when we combine the fact that we have got all these services around here and all this mail, especially mass mail, that assures incumbency reelection, now on top of that they want to move a bill eventually back to the floor that will indeed get taxpayers in the business of paying for their very campaigns or a significant part of those campaigns. How much do the Democrat incumbents want around here in terms of assuring their continued control of the House?

Mr. THOMAS of California. Mr. Speaker, I would conclude by indicating that clearly based on the colloquy between the gentleman from Texas and myself that this does not specifically refer to any technical corrections but that it is a vehicle to go back to conference so that any changes that the conference may make can in fact be affected.

I am pleased that the subject matter of mass mail franking out of district has been able to come to the floor.

□ 1300

I would wish that it was in an examination of the bill itself, having been heard in committee and moved forward to the floor. I am pleased, nevertheless, that it is being done in a motion to recommit. I urge my Democrat colleagues to reexamine their unwillingness to schedule the substance in a hearing in the committees of jurisdiction so that we might actually move forward and provide the American people with the relief that they seek in terms of the misuse of, in my opinion, not illegally but morally, clearly, and I believe ethically, the misuse of the frank.

It is a pleasure to be able to have the issue aired on the floor. I can assure the Members it would be much more pleasurable to change the law and have H.R. 4104 become law.

Mr. RHODES. Mr. Speaker, I rise today in support of the motion by the gentleman from California, [Mr. THOMAS] to recommit to the committee on conference, the conference report on H.R. 3750/S. 3, the congressional campaign finance reform bill.

This motion will allow the conferees to full consider the contents of Mr. THOMAS' bill (H.R. 4104) of which I am a cosponsor, to prohibit free mass mailings by Members of Congress outside their congressional districts. This language is an essential part of any meaningful campaign reform legislation. As flawed as the basic bill before us is regarding public financing of congressional and senatorial campaigns, including the language of H.R. 4104 in the bill will be a positive action. This language will help equalize the present imbalance between incumbents and challengers in congressional elections, and end a powerful, taxpayer-financed re-election tool for incumbents.

The American public wants meaningful campaign reform. Part of that reform has to be restoring fairness to the electoral process. Banning franked, mass mailings outside of a Member's district will help restore fairness to elections.

On June 5, 1991, the House considered the legislative branch appropriations bill for fiscal 1992. I voted against final passage of the excessive \$1.8 billion bill. During the amendment process on the bill, I supported a reduction of districtwide newsletter from six to three allowed for each Member. I also supported an amendment which would have reduced House Members' official mail costs by \$21 million. I will continue to support legislation to limit abuses of the frank to ensure fairness in elections.

We need to make the election process more competitive, not less. We need to make incumbents more vulnerable to an effective challenger, not less. And, we need to make incumbents more responsive to their constituents, not less. Nothing would make an incumbent more efficient and effective than the likelihood of a competitive challenge each election cycle.

The frank was instituted to help inform voters and respond to constituent contacts in our districts. We must use the frank responsibly. Each one of us receives calls and letters from constituents in our districts. We respond to their questions and concerns. The frank was never intended to be used as a campaign re-election tool.

I urge my fellow members to support the motion to recommit the campaign reform bill back to conference and to require the conferees to include the language of H.R. 4104 to ban franked, mass mailings outside a Member's district.

Mr. POSHARD. Mr. Speaker, I rise in support of campaign finance reform and to support efforts to curtail or eliminate the privilege of congressional newsletters.

The conference report on S. 3 includes a ban against Members of the House sending franked mass mail during election years. The inclusion of that provision has been described

as a mistake, and was intended to apply only to the Senate, but I would disagree.

I have introduced legislation, H.R. 4174, which would simply ban newsletters altogether.

There is legislation offered by Mr. THOMAS of California, which would prevent franked mass mailings outside our congressional districts. I support that effort, but I think that is a problem we see primarily during redistricting years.

This discussion is focused on mass mailings during election years, which in my view only confirms the borderline political nature of these mailings in the first place. I would suggest we take the next step and ban these mailings altogether.

In 1989 we voted to cut out newsletters completely, but the conferees ignored our instructions. Now, through this so-called mistake, we have the opportunity to correct a previous mistake.

Giving up this most glaring example of incumbent protection and congressional perks will do more to restore the public confidence than many of the other initiatives under consideration. As a Member who has never sent a newsletter, I would say to my colleagues that this is a worthy reform which we should move speedily to adopt.

Mr. THOMAS of California. Mr. Speaker, I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McNULTY). Pursuant to the order of the House, the previous question is ordered.

The question is on the motion to recommit offered by the gentleman from California [Mr. THOMAS].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. THOMAS of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 408, nays 8, not voting 18, as follows:

(Roll No. 75)

YEAS—408

Abercrombie	Barnard	Brewster	Clement	Hefley	Mollohan
Ackerman	Barrett	Broomfield	Clinger	Hefner	Montgomery
Allard	Barton	Browder	Coble	Henry	Moody
Allen	Bateman	Brown	Coleman (MO)	Herger	Moran
Anderson	Beilenson	Bruce	Coleman (TX)	Hertel	Morella
Andrews (ME)	Bennett	Bryant	Collins (IL)	Hoagland	Murphy
Andrews (NJ)	Bentley	Bunning	Collins (MI)	Hobson	Murtha
Andrews (TX)	Bereuter	Burton	Combest	Hochbrueckner	Myers
Annuzio	Berman	Bustamante	Condit	Holloway	Nagle
Anthony	Bevill	Byron	Conyers	Hopkins	Natcher
Applegate	Bilbray	Callahan	Cooper	Horn	Neal (MA)
Archer	Blackwell	Camp	Coughlin	Horton	Neal (NC)
Armey	Billey	Campbell (CA)	Cox (CA)	Houghton	Nichols
Aspin	Boehlert	Campbell (CO)	Cox (IL)	Hoyer	Nowak
Atkins	Boehner	Cardin	Coyne	Hubbard	Nussle
AuCoin	Bonior	Carper	Cramer	Huckaby	Oaker
Bacchus	Borski	Carr	Crane	Hughes	Oberstar
Baker	Boucher	Chandler	Cunningham	Hunter	Obey
Ballenger	Boxer	Clay	Dannemeyer	Hutto	Olin
			Darden	Hyde	Oliver
			Davis	Inhofe	Ortiz
			de la Garza	Ireland	Orton
			DeFazio	James	Owens (NY)
			DeLauro	Jenkins	Owens (UT)
			DeLay	Johnson (CT)	Oxley
			Dellums	Johnson (SD)	Packard
			Derrick	Johnson (TX)	Pallone
			Dickinson	Johnston	Panetta
			Dicks	Jones (GA)	Parker
			Dingell	Jones (NC)	Pastor
			Donnelly	Jontz	Patterson
			Dooley	Kanjorski	Paxon
			Doolittle	Kaptur	Payne (NJ)
			Dorgan (ND)	Kasich	Payne (VA)
			Dornan (CA)	Kennedy	Pease
			Downey	Kennelly	Pelosi
			Dreier	Kildee	Penny
			Duncan	Klecza	Perkins
			Durbin	Klug	Peterson (FL)
			Dwyer	Kolbe	Peterson (MN)
			Dymally	Kolter	Petri
			Early	Kopetski	Pickett
			Eckart	Kostmayer	Pickle
			Edwards (CA)	Kyl	Porter
			Edwards (OK)	LaFalce	Price
			Edwards (TX)	Lagomarsino	Pursell
			Emerson	Lancaster	Quillen
			Engel	Lantos	Rahall
			English	LaRocco	Ramstad
			Erdreich	Laughlin	Ravenel
			Espy	Leach	Ray
			Evans	Lehman (FL)	Reed
			Ewing	Lent	Regula
			Fascell	Levin (MI)	Rhodes
			Fawell	Lewis (CA)	Richardson
			Fazio	Lewis (FL)	Ridge
			Feighan	Lewis (GA)	Riggs
			Fields	Lightfoot	Rinaldo
			Fish	Lipinski	Ritter
			Flake	Livingston	Roberts
			Foglietta	Lloyd	Roemer
			Ford (MI)	Long	Rogers
			Ford (TN)	Lowery (CA)	Rohrabacher
			Frank (MA)	Lowery (NY)	Ros-Lehtinen
			Franks (CT)	Luken	Rose
			Gallely	Machtley	Rostenkowski
			Gallo	Manton	Roth
			Gaydos	Markey	Roukema
			Gejdenson	Marlenee	Rowland
			Gekas	Martin	Roybal
			Gephardt	Martinez	Russo
			Geren	Matsui	Sanders
			Gibbons	Mavroules	Sangmeister
			Gilchrest	Mazzoli	Santorum
			Gilman	McCandless	Savage
			Gingrich	McCloskey	Sawyer
			Glickman	McCollum	Saxton
			Gonzalez	McCrery	Schaefer
			Goodling	McCurdy	Scheuer
			Gordon	McDade	Schiff
			Goss	McDermott	Schroeder
			Gradison	McEwen	Schulze
			Grandy	McGrath	Schumer
			Green	McHugh	Sensenbrenner
			Guarini	McMillan (NC)	Sharp
			Gunderson	McMillen (MD)	Shaw
			Hall (OH)	McNulty	Shays
			Hall (TX)	Meyers	Shuster
			Hamilton	Mfume	Sikorski
			Hammerschmidt	Michel	Siskisky
			Hancock	Miller (CA)	Skaggs
			Hansen	Miller (OH)	Skeen
			Harris	Mineta	Skelton
			Hastert	Mink	Slattey
			Hatcher	Moakley	Slaughter
			Hayes (IL)	Molinar	Smith (FL)

Smith (IA)	Tallon	Walker
Smith (NJ)	Tanner	Walsh
Smith (OR)	Tauzin	Waters
Smith (TX)	Taylor (MS)	Waxman
Snowe	Taylor (NC)	Weber
Solarz	Thomas (CA)	Weiss
Solomon	Thomas (GA)	Weldon
Spence	Thomas (WY)	Wheat
Spratt	Torres	Williams
Staggers	Torricelli	Wilson
Stallings	Towns	Wise
Stark	Trafilant	Wolf
Stearns	Traxler	Wolpe
Stenholm	Unsoeld	Wyden
Stokes	Upton	Wyllie
Studds	Valentine	Yates
Stump	Vander Jagt	Yatron
Sundquist	Vento	Young (AK)
Swett	Visclosky	Young (FL)
Swift	Volkmer	Zelliff
Synar	Vucanovich	Zimmer

NAYS—8

Alexander	Frost	Sarpalius
Brooks	Jacobs	Washington
Chapman	Poshard	

NOT VOTING—18

Bilirakis	Lehman (CA)	Rangel
Costello	Levine (CA)	Roe
Dixon	Miller (WA)	Sabo
Gillmor	Moorhead	Serrano
Hayes (LA)	Morrison	Thornton
Jefferson	Mrazek	Whitten

□ 1322

Mr. SARPALIUS changed his vote from "yea" to "nay."

So the motion to recommit was agreed to.

The result of the vote was announced as above recorded.

A motion to recommit was laid on the table.

Pursuant to the order of the House, House Resolution 420 was laid on the table.

PERSONAL EXPLANATION

Mr. MORRISON. Mr. Speaker, I was unavoidably detained during two recorded votes. Had I been present, I would have voted "aye" on rollcall No. 74 and "aye" on rollcall No. 75.

RESCISSION RELATING TO DEPARTMENT OF ENERGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102-188)

The SPEAKER pro tempore (Mr. McNULTY) laid before the House the following message from the President of the United States, which was read and together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one rescission proposal, totaling \$145 thousand in budgetary resources.

The proposed rescission affects the Department of Energy. The details of this rescission proposal are contained in the attached report.

GEORGE BUSH.

THE WHITE HOUSE, April 8, 1992.

ANNUAL REPORT OF NATIONAL ENDOWMENT FOR DEMOCRACY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

Pursuant to the provisions of section 504(h) of Public Law 98-164, as amended (22 U.S.C. 4413(i)), I transmit herewith the Eighth Annual Report of the National Endowment for Democracy, which covers fiscal year 1991.

GEORGE BUSH.

THE WHITE HOUSE, April 8, 1992.

NATIONAL RECYCLING DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 246) to designate April 15, 1992, as "National Recycling Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 246

Whereas the United States generates over 180 million tons of municipal solid waste each year—almost double the amount produced in 1965, and amounting to about 4 pounds per person per day—and the amount is expected to increase to 216 million tons of garbage annually by the year 2000;

Whereas the continued generation of enormous volumes of solid waste each year presents unacceptable threats to human health and the environment;

Whereas the Environmental Protection Agency expects that 27 States will run out of landfill capacity for municipal solid waste within 5 years and that a large percentage of currently operating landfills will close by the year 2000 either because they are filled or because their design and operation do not meet Federal or State standards for protection of human health and the environment, requiring that waste now disposed of in these facilities will have to be disposed through other means;

Whereas a significant amount of waste can be diverted from disposal by the utilization of source separation, mechanical separation and community-based recycling programs;

Whereas recycling can save energy, reduce our dependence on foreign oil, has substantial materials conservation benefits and can prevent the pollution created from extracting resources from their natural environment;

Whereas the revenues recovered by recycling programs offset the costs of solid waste management and some communities have established recycling programs which provide significant economic benefits to members of the community;

Whereas the current level of municipal solid waste recycling in the United States is low, although some communities have set a much higher rate;

Whereas to reach a goal of increased recycling, more materials need to be separated, collected, processed, marketed and manufactured into new products;

Whereas a well-developed system exists for recycling scrap metals, aluminum cans, glass and metal containers, paper and paperboard, and is reducing the quantity of waste entering landfills or incinerators and saving manufacturers energy costs;

Whereas recycling of plastics is in the early stages of development and considerable market potential exists to increase the recycling;

Whereas yard and food waste is an important part of municipal solid waste and a large potential exists for mulching and composting the waste which save both landfill space and nourish soil, but only small amounts of this material is currently being recycled;

Whereas Federal, State and local governments should enact legislative measures that will increase the amount of solid waste that is recycled;

Whereas Federal, State and local governments should encourage the development of markets for recyclable goods;

Whereas Federal, State and local governments should promote the design of products that can be recycled safely and efficiently;

Whereas the success of recycling programs depends on the ability of informed consumers and businesses to make decisions regarding recycling and recycled products and to participate in recycling programs; and

Whereas the people of the United States should be encouraged to participate in educational, organizational and legislative endeavors that promote waste separation methods, community-based recycling programs and expanded utilization of recovered materials: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 15, 1992, is designated as "National Recycling Day". The President of the United States is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 246, the Senate joint resolution just considered and passed.

AIR FORCE SECRETARY VISITS COLEMBUS AIR FORCE BASE AND 186TH AIR REFUELING GROUP IN MERIDIAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, at my invitation, Air Force Secretary Donald Rice accompanied me to Mississippi on April 3 to visit Columbus Air Force Base and the Air National Guard unit in my hometown of Meridian, MS. He addressed a graduating class of pilots in Columbus and took part in the conversion ceremony in Meridian, where the 186th Tactical Reconnaissance Group became the 186th Air Refueling Group.

I want to share with my colleagues the Secretary's fine remarks at both of those ceremonies.

THE HONORABLE DONALD B. RICE, SECRETARY OF THE AIR FORCE, REDESIGNATION CEREMONY, FROM 186TH AIR TACTICAL RECONNAISSANCE GROUP [TAC] TO 186TH AIR REFUELING GROUP [SAC], KEY FIELD, MS

Let me tell you what people in Washington say about the rededication of the 186th. They say Congressman Montgomery and the Meridian military/community team must have had a crystal ball; that you predicted 3 years ago how the world would change; that you sought out a mission right for the times, then took it as your own.

Actually, the 186th Air Refueling Group has become more than a unit with a new mission. It's also teaming up with the legendary Strategic Air Command until June. And on June 1st it joins the new Air Mobility Command, becoming part of the largest restructure of the Air Force since our beginnings. Air Mobility Command will be our front line for global reach, providing rapid deployment and global mobility for all of our joint forces and some of our coalition partners. So the 186th is riding the crest of late-breaking changes in the Air Force and the world.

The move from tactical reconnaissance to tanker aircraft crystallizes General Montgomery's vision of national security in a fragmenting world. The nation needs highly mobile forces to deploy anywhere quickly, especially as we cut back on overseas bases. And tankers are the lifeline of mobility. The KC-135Rs of the 186th Air Refueling Group confirm America's ability to respond to crisis—whether that response is a clenched fist or a helping hand.

In war, refuelers let our forces outrange the enemy's, important when you consider distances like those in the Gulf: over 1000 miles from Southern Saudi to Baghdad. Some tankers flew with specific strike formations; some did their job over enemy territory. During Desert Shield and Storm Air Force tankers flew over 34,000 sorties, performed 85,000 refuelings and offloaded 1.2 billion pounds of fuel. 262 KC-135s supported 6 countries and our joint forces. They also flew 913 airlift sorties.

The Guard and Reserves comprised 37% of the entire tanker fleet in the Gulf. 12 of 13 Air National Guard refueling units were activated. No air refueling was missed for reasons other than the weather. Mission capable rates exceeded 90%—better than the peacetime rate. You might be interested in Strategic Air Command's report on tanker ops in the Gulf war. It concluded with these words about your new aircraft: "The increased capability of the KC-135R provided the backbone of tanker support."

Though the Desert Storm has abated, the need to reach hot spots, humanitarian relief destinations, or disasters could be tested anytime. And if the war was an indicator, the hands of Mississippi's finest will shoot up when the nation calls. Ask those who deployed—like the security police and intel ex-

perts from Key Field. You'll see the Mississippi tradition of voluntarism shine through.

So in this fast-changing world some things have not changed: like the can-do spirit of air crews and the support teams; like airpower's contributions to the nation . . . global reach and global power; and the relevance and vitality of the Magnolia Militia. The 186th is one of the oldest air guard units in the country, yet part of the youngest service. It's keeping the best of its roots while revitalizing its wings. It captures the spirit of the Air Force.

THE HONORABLE DONALD B. RICE, SECRETARY OF THE AIR FORCE, UNDERGRADUATE PILOT TRAINING GRADUATION, COLUMBUS AFB, MS

Mr. Chairman, General Killey, Colonel Ardillo, ladies and gentlemen: thanks very much. I don't know who's more fired up—the beaming graduates or their proud families. This is an emotional occasion for me too, since I'm painfully aware that this speech is a 15 minute interruption for 200 people on their way to a party!

The unsung heroes of this celebration, of course, are the families. They bolstered these hard-charging pilots through the first T-37 solo, the dunk tank, the first checkride, 4-ship rejoins, and a firehose of academics. In pilot training you cram 30 hours into 24 each day, making for hectic nights and weekends. The spouses deserve extra credit for their support. They may deserve wings for being able to recite the Boldface Procedures in their sleep!

This ceremony kicks off a new chapter in the graduates' lives. The future, according to Yogi Berra, "ain't what it used to be"—which is my topic today.

How the global picture has changed struck home last week in a Pentagon briefing. Our briefers were in flight suits—Lieutenant Colonel Mike Chase and Captain Diane Byrne. Mike's a B-52 pilot and Diane's a KC-10 pilot, both stationed at Barksdale Air Force Base.

They just returned, with 58 other crew members, from a Russian air force base 90 miles southeast of Moscow. The event: an aircraft exchange visit to commemorate 50 years of Russian long-range aviation.

Picture the welcoming ceremony: chocked on the flightline, side by side, are two B-52s, a KC-10, a Russian Bear Bomber, and Russian Backfires and Blinders. Standing in front of this historic parking lot are Americans and Russians saluting. They're facing a Russian flag and a U.S. flag. The band strikes up the music. It's the Star Spangled Banner. Afterwards, the old Russian anthem.

Barksdale Ops Group Commander Colonel Jim Phillips, a former cold warrior, takes the podium. He says, "I'd been planning to come to your country for 20 years—but never expected a friendly crowd or the Star Spangled Banner to greet me!" By nightfall both groups of aviators concluded they have far more in common than they ever had in differences.

One of our most impressive airman-ambassadors was KC-10 pilot and aircraft commander, Captain Diane Byrne. The Russians have no women pilots, and Diane found herself in headlines and on TV. One Russian colonel told her, "You seem already to be changing society. My two daughters now want to become pilots."

Everyone wanted pictures with her. One photo from an air show at Kubinka shows the Chief of Staff of the Air Forces of the Commonwealth of Independent States; the Commander-in-Chief of Long-Range Avia-

tion; a retired Marshall of the Soviet Union, who is a 5 star equivalent; 20 one, two, and three star Russian generals * * * and Diane. Her comment was, "What's wrong with this picture?"

Diane and Lt. Col Mike Chase returned to their Barksdale squadrons with pictures of Russian aircraft. Mike said the squadron Day Room walls always had pictures of Soviet aircraft—but none the Soviets gave up voluntarily.

Barksdale will host two TU-95 Bears and an IL-76 transport in May. Langley Air Force Base plans to host top of the line Russian fighters. A few years ago such visits were unthinkable. Now, pictures of a B-52 and a Bear wing to wing on a Russian ramp show how far the world's evolved—even since you entered pilot training.

Yours is the first generation to emerge from the shadow of the cold war. As President Bush said recently, "Imperial communism didn't just fall; it was pushed." Some of these IPs and senior leaders were on the front lines pushing it. Today, to their credit, fledgling democracies have replaced totalitarianism. In our new strategy the focus has shifted from global war to regional crises. New world, new opportunities.

One of the challenges for the military now, of course, is to scale back defense spending. Across the Defense Department we're reducing by half a million people in the active force. The number of Americans in uniform now is at the lowest level since the beginning of the Korean War. This means times of transition for a spectrum of society, including communities whose bases are closing and businesses specializing in defense. It means readjustments for people leaving the service and those who stay.

All the Air Force's UPT classes are affected by the defense drawdown too. Losing force structure means we lose cockpit jobs. Until the mid-90s we'll face a shortage of cockpits, yet have to accommodate those who need to fly to meet their gates and those just starting out.

In a perfect world, we'd send everyone VFR-direct from UPT to major weapon system training and then to an active cockpit. But the fact is some will enter a holding pattern until planes become available. Their advantage will be a chance to learn the Air Force outside the cockpit. Once they start flying, they won't get that big picture look again for a long time.

All of you, of course, are part of an elite few who made it into UPT. To graduate puts you in an even more select group. This year we've trained the fewest candidates since Korea. In FY93 we'll take in 625. Assuming a 20% attrition rate, we should produce 500 in FY94. We're taking in fewer from all sources—OTS, the active duty selection board, ROTC, and the Academy.

On the bright side, some tremendous command and flying assignments are out there. And they belong to every mission area. We don't go in for the "tactical" and "strategic" distinctions in aircraft or separate pockets of airmen anymore. In fact, Tactical Air Command, Strategic Air Command, and Military Airlift Command will be replaced this June by Air Combat Command and Air Mobility Command.

You'll see a new type of wing at many bases—the composite wing. It will consist of diverse aircraft and crews that train, deploy and fight as a team. The composite wing at Seymour Johnson has a fighter pilot as its wing commander, a bomber guy as the vice commander, and an operations group commander who flies tankers. At Pope Air Force

Base, the composite wing commander is a C-130 pilot. The wing commander at Kadena flies fighters, the vice is a tanker pilot, and the ops group commander is a fighter pilot. We want everyone to have a chance at good jobs in the restructured, leaner, meaner Air Force. And you'll have more opportunities to make your mark on the active Air Force, Guard, or Reserve.

I can't get off the stage without a couple pieces of advice. First, learn and teach others what the Air Force is about. Our contributions to the national security can be summed up in four words: Global Reach-Global Power. As the Gulf War demonstrated, airpower offers the range and speed to reach any hot spot in hours, the lethality to drive a lesson home quickly, the precision to limit the lesson for minimum loss of life, and the flexibility to adapt to any security environment.

Our contributions after the War, in Operation Provide Comfort for the Kurds, then Provide Hope for the Russians, proved airpower can mean more than a clenched fist; it can also mean a helping hand. As our newest pilots, make yourselves experts on airpower and what we contribute to joint operations.

A second piece of advice: keep in mind you are first and foremost Air Force officers. You're trained as leaders, as what Walter Lippman called "the custodians of a nation's ideals, of the beliefs its cherishes, of its permanent hopes."

The American people know and appreciate the risks you take in their behalf. Their wish is always

"Lord guard and guide the men who fly
Through lonely spaces in the sky * * *

They deserve your leadership and integrity in public service. What you get back is a singular honor: to serve beneath the Air Force Seal and the American flag.

Oh, and yes * * * you get the electrifying thrill of flying. You get your pilot proficiency rating. And you've won your wings. Now is that why you pilots are all fired up, or is it because you love graduation speeches?

I'll close with the image of an Air Force pilot on CNN the first day of Desert Storm. He was headed for his aircraft, about to fly into the war zone. A reporter shouted, "How do you feel?" Thumbs up, with a big grin, the guy yelled, "God gave me a good woman and made me an American Air Force pilot. It doesn't get any better than that!"

Congratulations.

LEGISLATION TO DESIGNATE NATIONAL RED RIBBON WEEK FOR A DRUG-FREE AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Ms. HORN] is recognized for 5 minutes.

Ms. HORN. Mr. Speaker, I rise today to introduce a bill that designates the week of October 24, 1992, as "National Red Ribbon Week for a Drug-Free America." I introduced this bill last year and was joined by over 250 of my colleagues in cosponsoring this legislation. The bill was signed by President Bush, who, along with Barbara Bush, is the national honorary chairman of the national red ribbon campaign.

If the reality of the world we live in were different, I would not be here today introducing

legislation to combat drug abuse. But a simple fact remains—our Nation still faces a serious drug problem. However, I am hopeful that through education and prevention efforts we can continue to lessen the demand for drugs, especially among our young people.

That is why I am proud to be introducing legislation that will help the national red ribbon campaign combat drug abuse. Located in Missouri's Second Congressional District, this grassroots organization has worked tirelessly toward the goal of a drug-free America. During this October week, the campaign will help communities and local governments mobilize and hold rallies and events in local schools. They will also encourage people to wear red ribbons to show their support for a drug-free America.

Senator MURKOWSKI introduced this bill last year in the Senate and plans to reintroduce this measure this year. Mrs. Nancy Murkowski, chair of the Congressional Families for a Drug-Free Youth, also deserves recognition for her outstanding work in this area. With the efforts of the red ribbon campaign and other organizations devoted to combating our Nation's drug problems, we can win the fight against drug abuse. I encourage my colleagues to join me in supporting this legislation.

INTRODUCTION OF THE MEDICARE PROGRAM PROTECTION ACT OF 1992

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, today I am introducing H.R. 4805, the Medicare Program Protection Act of 1992, a bill to amend the Budget Enforcement Act [BEA] to allow for the proper funding of administrative expenses of the Medicare Program. This important bill will assure that the funds entrusted to the Medicare Program by millions of working Americans are properly administered, and that spending for Medicare benefits is protected from waste, fraud, and abuse. This bill parallels similar provisions adopted in the BEA regarding funding for enforcement activities of the Internal Revenue Service.

I am introducing this legislation due to my increasing concern about the level of funding appropriated for the costs of administering Medicare. In recent years, the level provided has not kept pace with increases in the number of beneficiaries or in the overall growth in claims submitted to Medicare by providers for payment each year.

My bill promotes fiscal responsibility by assuring that Medicare's fiscal intermediaries and carriers will have the funds they need to assure that Medicare's limited funds are not lost to improper payments. Based on estimates by both the General Accounting Office [GAO] and the inspector general of the Department of Health and Human Services, my bill saves more money than it spends.

Since the Medicare legislation was enacted in 1965, the program has been administered through contracts with a network of private in-

surance companies known as fiscal intermediaries and carriers. There are currently 84 insurers with contracts with Medicare.

The services performed under the contracts include: processing payment for more than 700 million claims each year; conducting medical reviews to determine whether services are necessary and appropriate; auditing the costs reported by hospitals and other facilities; assuring that Medicare is the proper payer; and, assisting beneficiaries, as well as doctors, hospitals, and other providers, in understanding the program. The total budget for these critical services is below 2 percent of total program expenditures which is estimated to be \$145 billion in fiscal year 1993.

The problem in Medicare funding for the fiscal intermediary and carrier contracts is illustrated by the impact of a \$1.47 billion appropriation, the level requested by the President and the level provided in both House and Senate appropriations bills for this fiscal year. This is 2.5 percent below the fiscal year 1991 appropriation.

Claims volume will grow an estimated 11.5 percent between fiscal year 1991 and fiscal year 1992. If the budget for claims processing does not increase, the Federal Government will incur interest costs due to late payments to providers of health services. For this reason, other administrative functions must bear the entire burden of the failure of the budget to keep pace with increases in workload.

Medicare claims volume has grown at double-digit rates, and overall benefit payments have increased by 13 percent. Funding for activities which protect Medicare from fraud and abuse have not kept pace. For example, the fiscal year 1992 level has required a 6-percent reduction in funding for audits and a 16-percent reduction in medical reviews. The fiscal intermediaries and carriers have had to reduce staffing by approximately 1,000 people, of which nearly 20 percent were auditors, as a result of these cuts. The reduction in these activities is particularly ill-advised given that they save far more money than they cost.

In implementing the fiscal year 1992 budget, HCFA instructed the fiscal intermediaries to reduce the number of audits performed on hospitals, skilled nursing facilities, and home health agencies, even though significant amounts of payment received by these facilities are based upon cost reimbursement. It is anticipated that there will be at least 75 percent fewer hospitals audited in fiscal year 1992 than in fiscal year 1991, and even deeper reductions in the number of other facilities audited.

The low fiscal year 1992 funding level for appeals by hospitals and doctors of audit findings will mean that unresolved appeals will double during the year, leaving over 10,000 unresolved appeals at the end of the year. This is more than a 2-year backlog. This will undoubtedly lead to increased provider complaints about the hassle and lack of responsiveness of the program.

The President had proposed to cut funding for beneficiary communications by 57 percent.

This cut meant that virtually no telephone inquiries from senior citizens would be answered in a timely fashion. In addition, toll-free 800 lines were targeted for elimination. The \$22 million necessary to fund the 800 lines was not included in the budget. I am sure we can all imagine the response of Medicare's beneficiaries if these toll-free lines were eliminated. Due to intense pressure from Members and from the public, OMB released funds from a contingency fund to keep the toll-free lines open. Even with this release, funding for this critical service is below the fiscal year 1991 level, even though demand for the service is increasing.

The President's fiscal year 1993 budget request increases funding for fiscal intermediaries and carriers by 7.7 percent, but achievement of this amount requires enactment of program changes which have been rejected repeatedly by the Congress. If these legislative changes are not enacted, the Health Care Financing Administration has testified that payment safeguard activities will be cut.

I am deeply concerned that Medicare funds be spent prudently and properly. It is particularly important in view of budget constraints facing Medicare that every dollar spent by the program be carefully scrutinized. Given the reductions in funding for audits and other payment safeguards, it is clear that goal will not be met.

Underfunding Medicare's administrative budget is a classic penny-wise and pound-foolish approach to governing. As the Comptroller General has stated in testimony before the Committee on Ways and Means:

Spending too little on administration translates into spending too much on [the Medicare] program. The effect is to forego hundreds of millions of dollars in savings that could otherwise be attained.

Both the GAO and the HHS inspector general have urged higher spending for Medicare administration, with the GAO noting that spending for Medicare's payment-safeguard activities save Medicare \$14 for every dollar spent. Of course, the problem is that under the BEA, the savings affect the entitlement portion of the budget, while the spending is under the discretionary spending limits. Savings from one are not able to offset spending on the other.

Medicare's administrative costs have been under growing budgetary constraint primarily because they are funded out of the domestic discretionary spending category of the BEA, despite the fact that Medicare's administrative needs are driven by the mandatory, entitlement nature of the program.

The growth in the number of beneficiaries, the growth in the volume of claims to be processed, and changes in the delivery of health care all drive Medicare's administrative costs upward. These factors cannot be artificially controlled by imposing arbitrary spending caps on administrative costs. It makes even less sense when short-sighted reductions in administrative spending cause higher spending on the benefits side.

My bill corrects this anomaly by providing additional funding for the administrative costs of Medicare up to a specified level. The bill implements the recommendations of the GAO

and the HHS inspector general in this area. The approach is similar to that taken with regard to additional funding for the Internal Revenue Service, an approach the GAO specifically recommended in its report.

Specifically, my bill assures that we can meet the administrative needs of Medicare by amending the Budget Enforcement Act to provide that if a specified level of funding is appropriated, and such funding is scored against the discretionary spending caps, then the Congress would have the option of providing additional funding up to a ceiling specified in the bill, and the caps would be adjusted to accommodate the higher amount. Of course, these additional amounts could only be used for Medicare administration.

Mr. Speaker, H.R. 4805 will insure that Medicare's administrative funding will keep pace with the growth in beneficiaries and in the volume of claims submitted for payment. It will assure that payments by fiscal intermediaries and carriers are safeguarded against fraudulent and wrongful spending which increases overall spending by the Medicare Program.

I believe that this bill is a prudent response to the need to maintain the integrity of the Medicare Program. It will promote confidence in Medicare by millions of senior citizens and disabled beneficiaries, as well as by the millions of working Americans who faithfully finance the program. The higher spending on Medicare administration provided by the bill will be more than offset by reductions in wrongful benefit expenditures. I urge my colleagues to join me in supporting this important legislation.

A summary of H.R. 4805 follows:

SUMMARY OF THE MEDICARE PROGRAM PROTECTION ACT OF 1992

1. Short Title: A. Medicare Program Protection Act of 1991.

2. Adjustments to Budget Enforcement Act Discretionary Spending Limits: A. The Budget Enforcement Act would be amended to authorize additional spending for Medicare's fiscal intermediaries and carriers in each of the next three fiscal years. The additional amount would be based on the expected growth in claims volume under the program.

Fiscal intermediaries and carriers, on behalf of Part A and Part B of Medicare respectively, pay claims, audit providers, hold hearings on disputed claims, and provide information to beneficiaries and providers on specific claims and on Medicare payment policies.

B. To the extent that appropriations are enacted that provide budget authority above the level of spending in FY 1992 of \$1.526 billion, the appropriate discretionary spending limits would be adjusted to accommodate the additional amount. The adjustments would be cumulative.

3. Amount of Adjustments: FY 1993: \$177 million; FY 1994: \$198 million; FY 1995: \$220 million;

ELECTORAL COLLEGE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. GLICKMAN] is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, this is not really to kill time. It is to talk about an issue that is very important,

and that is the issue of electoral college reform.

It is no secret that we are in the midst of a very contested Presidential election process, and it is no secret that we might find ourselves this year with not only a hotly contested Democrat and Republican but a third party or independent candidate by the name of H. Ross Perot, who may be a very effective candidate for President.

I have always worried that one of these days we are going to find a situation where nobody wins a majority of electoral college delegates or that you may end with a three-way race where that fact occurs, or the popular vote goes one way, and the electoral college vote goes another way, and, of course, we have under our Constitution, if nobody wins a majority of electors, that issue is thrown into the U.S. House of Representatives, and under laws and customs, it is very interesting. There is a lot of unclarity with respect to how the House of Representatives deals with the issue.

For example, it is not totally clear whether the House that deals with it is the current Congress or the new Congress.

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The issue has only happened once before in our history and that is, of course, the election of Rutherford B. Hayes when he and Mr. Tilden's race was thrown into the electoral college and the House of Representatives determined the issue; but it is quite interesting, because under the customs and traditions and under the Constitution the way the issue would be dealt with is each State would get one vote, so the State of California with several dozen Members of Congress would get one vote. The State of Missouri with nine Members of Congress would get one vote. The State of Kansas with five Members would get one vote, and it is unclear what procedures would be used. Would we have a majority vote within our delegation or would there be some other methodology that the House would have to then take up?

All I say is this is an important issue that one of these days will have to be dealt with because there will be a constitutional crisis, and it could happen in 1992 if in fact there is a legitimate hard-fought three-way race for President and it could even happen if there is a two-way race for President.

Mr. SKELTON. Mr. Speaker, will the gentleman yield?

Mr. GLICKMAN. I am glad to yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Speaker, my question of the gentleman is this, and I know there is very little historical precedent and probably very little written about it; but theoretically, could someone not be chosen by this body under the Constitution that was not a candidate in the earlier elections throughout the country?

Mr. GLICKMAN. I think that is indeed the possibility, that this body could choose somebody who was not even an active candidate for President, and as we know in most cases the electors are probably not legally bound absolutely in their own States.

We in the House, and scholars in this country need to focus on the issue during the next few months, so that we are ready in the event that a constitutional catastrophe happens.

Now, I happen to believe that the electoral college should be abolished, and have introduced a constitutional amendment to do that.

Mr. SKELTON. Mr. Speaker, will the gentleman yield at that point?

Mr. GLICKMAN. I am glad to yield to my colleague, the gentleman from Missouri.

Mr. SKELTON. Of course, we are facing history and we are also facing the comments of the late Harry Truman, who very much favored the electoral college, and as he so pointed out immediately before being sworn in on January 20, 1949, because of the crisis that he went through, he very much favored the retention of the electoral college.

Mr. GLICKMAN. I know the gentleman was very close to the Truman family and Mr. Truman's words may be wiser than mine.

We are not going to get the abolition of the electoral college through this Congress and through the country by the time this election takes place. What we have to prepare ourselves for is the possibility that this election could be thrown into the electoral college and could be thrown into the House of Representatives thereafter. If so, we ought to have procedures in place to deal with it.

EPA MUST CHANGE ITS COURSE ON ETHANOL

The SPEAKER pro tempore (Mr. McNULTY). Under a previous order of the House, the gentleman from Illinois [Mr. POSHARD] is recognized for 60 minutes.

Mr. POSHARD. Mr. Speaker, I want to follow up on the comments of my colleagues from Illinois and other farm States who participated in a special order yesterday concerning ethanol.

I was detained in committee and with appointments in my office, but I have reviewed their statements in the CONGRESSIONAL RECORD and applaud them for their efforts.

I come to the well today being one of the very few Members of this House who voted against the 1990 Clean Air Act. I did so because of the unfair way it treated the high-sulfur coal mines in my area and the utilities burning their coal.

Southern Illinois is suffering under the weight of new emission requirements that were imposed without a national cost-sharing program.

Many of my colleagues who might have joined me in voting against the bill decided that, on balance, the promise for new markets for ethanol could perhaps offset the impact on coal, and therefore offered their support.

But the Environmental Protection Agency, in my judgment, is misinterpreting what Congress intended to provide for ethanol in the Clean Air Act. That threatens the future of farming States such as Illinois, and it also threatens the economy, energy, and environmental future of this country.

Congress intended to provide a level playing field for ethanol, and alcohol fuel derived from corn which is blended with ordinary gasoline.

Ethanol is an exciting product for Illinois and the thousands of corn farmers who supply the raw materials, and for companies such as Archer-Daniels-Midland and others who produce the finished product.

In my district there is an energy park under development in Franklin County which is counting on expanded markets for ethanol. Now, as we heard from my colleagues yesterday, many ethanol-related projects around the country are on hold because of uncertainty over what the EPA might do.

Essentially, the situation boils down to the fact that Congress intended to give ethanol fuels the chance to be used in high pollution areas. Now the EPA is proposing rules to implement the Clean Air Act which runs contrary to that intent.

There are several troubling aspects of this situation.

Here we have a domestically produced energy source, which supports the heartland of America, providing thousands of jobs and the potential for thousands more. And the administration balks at using it as Congress intended.

We have a farming economy that is only now recovering from the near-depression State of 1980's, a bill which gave farming new hope and opportunity, and now that is threatened by a complex web of rulemaking and legislative interpretation.

We appear to have a Federal agency promulgating rules which run contrary to congressional intent achieved through long and arduous negotiations.

And we appear to have a conflict between agricultural interests, who support ethanol, and the oil industry, which along with its methane-based product, would appear to be the winner in this high stakes game of rulemaking if the EPA proceeds with its present course.

But there are some encouraging aspects as well.

We have a strong, bipartisan coalition of members from Illinois, Iowa, Nebraska, and other farming States willing to take up the fight for ethanol and the American people who depend upon it for their paychecks.

And there are efforts underway to provide the scientific detail to exhibit to the EPA that ethanol deserves the chance to fight the high levels of air pollution found in cities across the country.

There is no doubt that Congress meant for ethanol to be a key player in the fight against air pollution.

I want to encourage all of us to take a second look at what's happening. We have a tremendous opportunity to attack the air pollution problem, provide new jobs in the Midwest, and stabilize the farming industry which feeds this Nation and the world. We must not let that slip away.

Mr. BEREUTER. Mr. Speaker, will the gentleman yield?

Mr. POSHARD. Yes; I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding to me and I want to commend him on his outstanding statement on this important subject. The gentleman is quite right in emphasizing that this is a bipartisan concern and we are simply not going to take the wrong answer from the EPA on this issue. We are not going to let them thwart the intent of Congress on this issue.

There may be a volatility problem in some parts of this country. If we are not careful, that volatility problem in limited areas in going to be used as an excuse for sabotaging the grain ethanol industry in its proper role in implementing the Clean Air Act.

I want to commend the gentleman and say to our colleagues here in the House, this is a strong bipartisan concern. One way or another, we are going to win this and assure that the intent of Congress is implemented.

Mr. POSHARD. Mr. Speaker, I thank the gentleman for his comments and for participating in this special order.

The gentleman is quite right. It is a bipartisan effort. This is a clear case where the Agency has misinterpreted the intent of the legislation which the Congress passed. We are very hopeful that all of us will join together in bringing the Agency around to see it as we saw it when the legislation passed, so I thank the gentleman very much.

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REPORT OF CHAIRMAN OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

The SPEAKER pro tempore (Mr. McNULTY). Under a previous order of the House the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, today's purpose in addressing my colleagues—and I would like to remind those who view the Hall of the House, which is a description of this Chamber that the Constitution describes it with,

the Hall of the House of Representatives, Mr. Speaker, it is the largest one of its kind of any legislative hall in the world, even our mother parliament, the House of Commons, which consists of about 630 members as compared to our 435.

But as I have said before, when I assumed the great responsibility and honor of chairing the Committee on Banking, Finance and Urban Affairs of the U.S. House of Representatives, I promised to give reports. These reports I started the very first day that I was elected chairman at the beginning of the last Congress. So that I am trying to discharge that responsibility because I feel that some of the basic purposes here of communication are to render an accounting first to our own Members who may not belong to the Committee on Banking, Finance and Urban Affairs, and probably do not, even though by way of parenthesis this committee actually consists of 10 percent of the total membership of the full Congress—that is, the Senate and the House—of 52 Members.

I think we will have to look at it from that perspective. And from another angle, also parenthetically speaking, it is one-half of the U.S. Senate plus two.

So, this is a big committee. It was not that way when I first came, but it is now. Therefore, I feel that my colleagues should be informed, if they are interested, and I find that most are. They may not be here physically, but we live in a day and time in which we have interoffice and television communications.

A study revealed to us that over 85 percent of the Members have their television on during these special orders. And after all, that is whom I am addressing, as I did the very first year I was sworn in, the first month I was sworn in and made use of this privilege known as special orders.

Actually, they are just the recognition that began some years ago of the need for members of a multiple body such as this that operates under severe restrictions of time during debate, to have an opportunity to enlarge on some particular subject matter or on some occasions that used to be based on an irregular and unpredictable basis under the rules of personal privilege or in the unanimous consent requests to have leave to address the House.

This is the way it has been done all the way along. So, finally, it was recognized that there should be an orderly system which, incidentally, with great sadness I noticed one of our colleagues on the majority side, a gentleman from California, circulating a letter seeking support to abolish this practice. I am sure that it is born out of ignorance of the history and reasons for this.

The reason is very basic, that this gives a chance in an orderly and predictable way for a Member or Members

through unanimous consent—and after all legislative business has been completed as of the day—to address the House for an amount of time ranging from 1 minute to 1 hour.

I think that is a great, great tradition, and I have respected it, and I have never used this privilege or this forum as a political stump to inject anything other than issues that are involving us as legislators.

Now, before we had television coverage of the proceedings—and I think it is great to have them and all of that—I think it brings in the American people who really are much more interested than they have been given credit for. I have known that all along. But it used to be most of the 30 years I have been here that all we had to do was submit the speech in writing.

The first 20 years, that particular written speech would be printed in the RECORD as if it had been delivered on the House floor. Then you had abuses.

So, then there was a requirement that, if you submitted it that way, that the Member sign his name. Then after that there were still some complaints and abuses. So it was then changed that if that in fact was done, then in the RECORD there shall be a different and smaller print in which the unaddressed address was made. In other words, the smaller print indicates that the Member did not actually deliver it.

Well, I never had to have those rules; I did it from the beginning when nobody was taking the House floor after hours to make a special order, 30 years ago, 25 years ago, 22 years ago, and ever since when I take the floor.

I felt that that was the intent as I read the history of the precedents of this custom.

So, anyway, to make a long story short, today I want to report generally at first on some of the things that I have been specific about for the last few months. And that is the threat and the detrimental impact to the national interest with respect to the unrestrained and unregulated activities of huge amounts of money, so-called international money, that is in this country. A very conservative estimate as of last year was \$800 billion. I would say conservatively it is at least a trillion dollars.

None of our regulatory agencies are adequately monitoring or supervising or regulating or overseeing these activities. It does not take but a small tranche of that huge amount to have tremendous multiplier effect and leverage where you can have activities from the illicit and illegal drug money laundering to everything else, including procurement of sophisticated technology and weaponry, such as I have brought out in the case of Iraq between 1983, when President Reagan removed Iraq from the list of terrorist nations, until, actually, right before the invasion of Kuwait by Iraq.

We brought that out. We brought out the disarray on another level, and that is the executive-branch level, the lack of coordination among the various departments. After all, the reason we developed, or the President has developed, what we call the Cabinet system was in order to overcome that lack of coordination and communication.

But, apparently, we have had a breakdown in the past few decades which has had a detrimental impact on our Nation's interests and destiny.

On another level, this one I have referred to before, but just like the first one there is no perception and we cannot arouse interest—and maybe it is because it is in an area in which we in the Congress can do very little—that is in the area of monetary international policy which the executive branch once again, and through the treaty-making power, which again has been very much eroded through the executive agreement process. One hundred years ago it would have been unthinkable to have what they call 90 percent of the executive agreements today.

□ 1350

They would have demanded that they be considered under the advise and consent by the Senate of the treaty clause of our Constitution, but those are the facts today, and the facts are that we had many, many years in which we have strayed, almost imperceptibly, from our constitutional basic framework, and I have seen at no time, either in recent history or past history, where we have not suffered in direct degree and proportion to our removal from these moorings of constitutional basics.

It is in two parts. One, it is a fact that we have, and one is connected to the other, and that is the danger that we face in the debauching of the value of our currency. Some past quotations attributed to people that were not considered friends of our country, but also in past history attributed to some leaders that had enemies, would say that, "If you first want to undermine and eventually destroy a country or its government, you seek debauching its currency."

The value of the dollar since 1985, the middle of the Reagan administration, has lost 60 percent of its value plus. Now in the meanwhile, and also beginning with the Reagan administration's midpoint, we became a debtor nation for the first time since 1914. And then on top of that we also piled a monstrous debt on all levels, not only governmental, but corporate and us, just the American public, as the largest debt structure of any known nation or combination of nations. On the governmental level we have \$6 trillion, but on the side there, not counted, is another \$6 trillion of so-called off-budget or, as the British call it, contingency debt. But so does a private banking system.

Again, I have had several releases. I have reported it to this body, but so far I have seen no reporting of that. I am considerably worried. When the 20 largest banks of our country have anywhere from 750 percent to 1,750 percent times their off-balance sheet contingency, contingency, involvements, then they have a net total worth of assets. That is incredible, but yet it seems like everybody wants to whistle by that graveyard, and maybe if we do not look at it, or if we just wish it away, it is going to go away.

Well, Mr. Speaker, let me tell my colleagues that it is not going to go away, and there is only one consequence ultimately, or sooner or later, and that is all debts must be paid one way or the other. And how that is going to be done with a devalued and equivalent of a debauched currency is the gravest threat to the well-being of this Nation since its founding. I throw in even the Civil War.

Why? Because we have piled this monstrous debt because we have been the only Nation that has had the great privilege of paying its debts in its own currency. But today, I say to my colleagues, the danger is more imminent than is perceived or is wanted to be admitted, that the dollar can be substituted as the international reserve currency unit, and, if that happens, then it means that all this debt is going to have to be paid back in somebody else's currency.

And when that happens, then the old golden rule of finance. What is that rule? That rule says that he who has the gold makes the rule. The lender always sets the rules, not the borrower. And there will go our independence as far as financing and fiscal well-being is concerned and our vaunted standard of living, which has already been eroded. It has been eroded, and it was obvious since the decade of the 1960s.

Mr. Speaker, that is when I came to the Congress, and I began speaking on that subject matter since then, and I spoke for the record, so it is not something I am saying now in hindsight, and I was the one that raised my voice about what they first called multinationals. Well, with multinational corporations, at the bottom of all their activities and behind them is banking, finance. At the bottom of everything is banking, and money and finance. I brought that out ad infinitum as I have spoken here. I even used a Latin phrase when I was informed that what was wrong with multinationals, what was wrong with these huge American corporations going to Europe and elsewhere, Korea, Taiwan, and in Japan, financing in such a way that there was an inexorable link to the United States and its economy, and I was saying that the sacrificial victim in all of this was American labor, that American labor was being sold down the river.

Who cared?

I said in a Latin phrase: "Non redolent pecunia." That is money has no nationality. Well, we have the consequences now. We are now an importing nation net. We are not a producing nation. We have lost little under 5 million jobs permanently in manufacturing, in producing. Those jobs are gone. And even now, just 2 weeks ago, I brought out how not even waiting for the so-called free trade, and let me tell my colleagues everybody forgets the other word that is used. It is not just a free trade, United States, Mexico, Canada free trade agreement. It is free trade and finance.

So, much money is going now, for instance, into the newly born, so-called Mexican stock market, all of it a bubble from America, and I have been saying it is going to end the same way that our S&L, and now our banking, crisis has ended. Why? Because it is all based on speculative, risky gambling. It is one more throw of the dice.

Is that the way we should handle our fundamental business?

Now the other part, which is again very little referred to, but is intertwined, is this fact that every day, even now as I speak, we have another trillion dollars worth of money changing instantaneously, as fast as an electronic message or signal can be given from London, Germany, Paris, Tokyo, New York.

□ 1400

And what is that money? It is not money. It is not money transactions following commercial intercourse or transactions. It is paper chasing money. It is highly speculative, like our Wall Street stock market where we now have a book by a young lady called "The Paper Money." She is relating how she as a 19-year-old went to work at Wall Street and, within 3 months, had made over \$1 million.

How did Boesky and Milken milk that process? All through debased tax laws and evasion of those protective margin requirements that were set up in 1932. They in turn are based on what? Bank credit.

So we have gone back. We have learned nothing from history. We have almost identically followed the scenario after World War I. The big difference, of course, is that the world has contracted. Today you have somebody making a bet on the future worth of a dollar, a yen, a franc, a deutsche mark, which, incidentally, right now is the strongest financial entity in Europe or any place, in billions of dollars. Just like that, in not even a fraction of a second.

What is the consequence of all of this? What are the risks? Tremendous.

The bubbles always burst. No bubble endures eternally. They all burst.

I do not know what we can do. I asked the new chairman of the Federal Reserve Board when he made his first

appearance before the committee in September 1987 what he would do about that and what he would do about 23 percent of the deposit money being uninsured known as money markets, mutual money markets.

He just looked at me and said "Nothing."

His predecessor chairman, the famous Paul Volcker, I asked the question about this now \$1 trillion a day. At that time I estimated it was about \$400 billion to \$500 billion. He said, "No, I think it is more than that."

I said, "Well, what are you doing about it? What is this country doing in leadership to get some kind of international control of this highly speculative activity?"

He said, "Nothing." Just like that. It is in the record. These are printed hearings. It is not what I am saying now in retrospect.

I could not have been more concerned all along. But nevertheless I have tried to point it out. I have tried to report it. And it is in the record if any Member wants to look it up. I have always had recommendations.

Now, there is not much we can do on this international thing. The Federal Reserve Board is supposed to be the equivalent of a central bank in other countries, but it is not really. We have an entirely different system.

What we are confronting at this most complicated time is the need to try to figure out what kind of a banking system do the American people want or need? Do they want to go to the highly concentrated, in which you have a few big banks, megabanks, like in Germany and France in Europe and other countries? That would be going against 200 years of our history and precedents and culture. Yet that is where we are.

What about our dual banking system, where we have 50 States with 50 different banking regulatory systems?

I think we have to start one thing at a time, as if we had the foresight to have started 35 years ago and did not. There is not much else we can do but take one thing at a time. And this is what I have done.

In the case of concentrations, we have had hearings on mergers. This last week I was the only one that ended up two-thirds of the time at that hearing. There was no press coverage whatsoever of that merger.

I have a staff under the great direction of the staff director, Mr. Kelsay Meek. We have a limited staff. For instance, the budget for my committee is about one-half the budget for, say, the Committee on Energy and Commerce. But I am not asking for more, no more than a modicum of what we need to have, an addition here and there, such as somebody that has expertise in some economic area of activity. We still lack that.

But other than that, it has always been my practice to have a dedicated,

very concentrated, honest beyond any question, hard hitting, efficient, but small staff. That is what we have had. And these staffs have done wonders.

In the case of mergers, for instance, we pointed out in the study that we issued as a Banking Committee staff report under my direction that the mergers, megamergers so far, and it seems like this year our country has gone into the banking mergers with a mania like we had before at the corporate level.

We pointed out and I have statistics showing that in every one of these cases the local communities or regions are having their resources sucked out. Their money is going out.

In Texas I have been pointing out for the last 2½ years that over 50 percent of its access to bank or financial credit allocation is controlled by outside of Texas ownership.

What can we do about it? Unless we go to an authoritarian country, the only thing we can do in the legislative branch as those of us who belong to these committees of responsibility is bring out the facts, act to the extent we have constitutional authority to do so legislatively, and then, after that, attempt to convince on the basis of evidentiary documentation the administrators from Treasury to the President and the Federal Reserve Board that what we feel is the need for them to fill in where we cannot legislate constitutionally.

So we have these tremendous forces at this time over which we have no control any longer. And no matter what we do domestically, it is very possible it can be overdone immediately by some forces external to our shores over which we have no control, but could have had, had we had vision and could we have sustained some kind of long-range policy, which apparently democracies find it hard to do, beginning several years ago.

On the other level, where I reported the activities of some of these international institutions, under our laws they set up in various States what they call agencies. Not out and out branches, but agencies. Those are chartered by the various States, which adds to the problem, because those States are not able to know what the Federal Reserve Board would be able to find out at the main branch of that international bank, what its thrust of operations is, and has no control over that State regulator or banking commission.

They have seen the sorry consequences in the case of BNL in Atlanta. But we must not forget that BNL also has some branches in Florida, Illinois, and did have two at least in California. One since has been closed because it was done by the State authorities, who have been more responsible in many ways.

□ 1410

On the other, where we pointed out that we had financed the weaponry ranging from conventional military armament to sophisticated chemical and nuclear components for Iraq and which, astoundingly, in August, we decided we would go in and eventually on January 16, 1991, engaged in war. And then I believe committed atrocities that we, as a Nation, would have to answer eventually, as we would as an individual.

We still have the Commandments, and one of the most important is thou shalt not kill. But thou shalt not kill in such a genocidal way as we did through carpet bombing in which we killed many thousands of innocent children, women, men, old, young. And then we literally slaughtered 100,000 plus so-called soldiers, most of which were conscripts running away, had their back turned to our soldiers.

We have buried others en masse. Those are things that I do not think our country stands for. We have never, through our history, identified with the tactics of a Hitler. And even Hitler, even his generals in middle Europe were able to save from extinction or slavery what Hitler had mandated should be the case for the so-called Slavs. And his orders to his field generals were, either eliminate them or those that can work, enslave them. And they had generals that defied that, German generals that had more humanity than ours have shown in some cases.

What we have done in Panama. Certainly we ought to know, and the American people ought to know it is done in their name. We incinerated several thousand, 100 percent blacks, living in these highly incendiary shacks that we had built for the workers on the Panama Canal after 1908. And with a Stealth bomber, and then we imposed the regime that is supposed to be governing now.

We imprisoned the head of state, brought him into the United States. We have him under trial. That is unprecedented. Even Hitler did not do that.

And what are the consequences? I think the American people ought to know that we still have two-thirds of the troops in Panama that we had at the height of the invasion and that we are the ones that are governing Panama. We are occupying Panama and that the people we put in place, if we remove our troops, will not be there 3 hours, nor will any American lives be safe.

Is that something that the American people are not aware of and should be aware of? Of course.

What I am saying is that at the bottom of it also is finances. The people we have put in power in Panama are all bankers, but they were bankers that were deeply enmeshed in the illicit drug trade coming out of the cartel of

Columbia. And so should we be surprised if since we imprisoned Noriega under charges of what, drug peddling, that the alleged drug trade has increased 100 percent in and around Panama and the Medellin cartel?

I think these are things that we have to answer for collectively. They are done in our name. This is the reason I have raised my voice. I was one of those, only three in the Congress, who protested the so-called invasion of Panama at that time.

So anyway, what are we doing about this other, though? The BNL, this foreign entity, these, I say, trillion dollars that are still manipulable, that are still not accounted for, that no regulator in America has the slightest notion where that money is going or how it is being used or how it is being leveraged.

Well, we have offered some modicum of amendments to the International Banking Act of 1978 last year. Up to then, and had it not been for the explosion of the BCCI scandal, we would have had this stout resistance on the part of the Federal Reserve Board. But with that they realized that they better do something. So they accepted the more modest and what I would say ridiculous part of the amendments to that act.

Now, the history of the 1978 International Banking Act is that it was the result of the hearings that I brought about when I was not chairman or anything in my home city of San Antonio in 1975, in which we had the first clear cases of what later became the S&L scandals, the interflow and back flow of these huge amounts of money that nobody knew about.

At that time they would load a Cessna and just fly it over the border and nobody knew or followed it or tracked it, and pretty soon we had some of our institutions like the S&L south of my city in hock. And in fact, those hearings led to an indictment or two.

But more importantly, I wanted legislation. There was no law in our books governing international banking or financing or money transactions. So we ended up with two laws.

One was the so-called cash reporting transaction, cash transactions. But then the one called the International Banking Act was not adopted until 3 years later in 1978, and then it was watered-down, lobbied-down version of what I had said was minimally needed by our country for the protection of its international interests.

Now, we are the only other country even in another sector that does not have a screening board on all of those seeking to own direct investment, asset ownership of banks, land, corporations. Some of them, I think, inextricably are linked with our national defense.

But anyway, I have prepared a bill in order that through the international fi-

financial institutions, which in most cases we, the United States, initiated back in the 1970's and to which we still contribute very substantially, would restrict access to the benefits of these international institutions to those countries that are not signing up in the nonproliferation of weapons of mass destruction apparatus.

So I have introduced it. I call it the Nonproliferation of Weapons of Mass Destruction and Regulatory Improvement Act of 1992, and I would like to just take a little time to outline the basis of this act.

This act consists of actually two main titles. The first title promotes a nonproliferation of weapons of mass destruction by denying funding to the international development institutions until such institutions revoke the membership of countries not adhering to appropriate nonproliferation regimes and prohibits the Export-Import Bank from providing any financial assistance to countries that are not adhering to regimes for controlling weapons of mass destruction.

□ 1420

The second title of that involves foreign banks that are controlled by foreign governments. That is another aspect. Almost all of these banks are government owned by these foreign governments.

The BNL, for instance, with its agency in Atlanta, the Italian Government really owns that. Let me say, the record ought to reveal that where our own institutions like the Federal Reserve Bank, the Treasury Department, the Department of State, the Department of Agriculture, where I convinced the committee to issue over 100 subpoenas for documents, and some of these have been denied to us, I was able to get the very distinguished and able chairman of the Italian Senate Investigating Committee, because they are looking into it from their standpoint, to provide those documents for me. I could not get them. Our committee was denied by our own executive branch, but we got them from a country because the Government owns that bank. This is the case of most.

This second title addresses that. The appropriate Federal regulator, in this case it would be mostly the Federal Reserve, would have this subject to a hearing to revoke the charter of Federal depository institutions, terminate the insured status of State depository institutions, or impose restrictions on State branches and agencies of foreign banks, if an institution and two or more officers or directors are convicted of export control offenses.

It is amazing we do not have any such laws. These would be such things as the International Monetary Fund [IMF], the World Bank and its affiliates, and the multilateral development institutions. All of these are under the

jurisdiction of the Committee on Banking, Finance and Urban Affairs, incidentally. For 10 years, between 1970 and 1981, I served as chairman of the Subcommittee on International Finance. At that time there was not much attention paid to that activity. It also deals with the Export-Import Bank, as I said a while ago.

This bill implements the regulatory reforms involving banks that are controlled by foreign governments. It also authorizes the appropriate Federal regulator, subject to a hearing and our time-honored processes, to revoke the charter of federally insured depository institutions if an institution and two or more of its officers or directors are convicted of arms and export control offenses.

There is no question that the spread of weapons of mass destruction are spreading at an increasing and alarming rate. We know that Iraq was able to build a war machine that included chemical, biological, and nuclear weapons and the missiles to deliver them. But that was Iraq. They did it through not only American but other countries' banks, but a lot of those banks were triggered off by, as corresponding banks, the American entities.

Sure, in the case of Iraq, as it turned out, it became an enemy country, but since 1983 to 1990, in the summer, it was considered a friend or an ally. We were going to support it as against Iran.

The thing gets complicated because, gosh, once we went into the Middle East imbroglio, I do not think our average citizens or my colleagues really realize the full extent of that.

For instance, because the only Arabic nation to side with Iran against Iraq was Syria, it suddenly became a friend of ours. So President Bush met with President Assad of Syria in Switzerland in 1990 while they were building up what was going to be our war in the Persian Gulf. But in the meanwhile, right after the so-called termination of that Persian Gulf war, Syria, from North Korea, procured 300 improved Scuds or missiles.

In the meanwhile, Iran is a non-Arabic nation, so just this week we had these announcements, and incidentally, Iran has built up its war machine and there is evidence indicating that once again, indirectly, we enabled Iran to build up.

How much stupidity can exist in the minds of our leaders, particularly when we say, "We are going to aid Iraq, but at the same time we are also doing business, as the sorry transaction known as the Iran-Contra mess indicated, with Iran?" Are we so naive as to think that these countries and their leaders are so dumb that they would not know that we were doing business with both belligerents? I cannot conceive of it.

I have more respect for the ability of these so-called foreign entities and

their leaders. I have the respect that is born out of realizing the full extent and capability of people in countries as recorded by other external observers in other countries, from Switzerland to France, Germany, Spain, and England.

The collapse, the so-called collapse of the Soviet Union, which I think in many ways has been misinterpreted and misreported, has done one thing, though. It has unleashed a flood of nuclear materials and technical expertise.

I will say this, with sorrow in my heart, that all of those that were absolutely ideologically and fanatically indulging in that cold war culture of anticommunism, who were and have been, with great glee and joy, seeing what they called the breakup of Soviet Russia, are going to wish, I fear, in the not-too-distant future, that they had that old communism to work against, because of what we are going to be facing here in a disaggregated, disparate, and uncontrolled fashion.

With this unleashing and flood of nuclear materials, warheads, technical expertise into the world markets, the former Soviet Republics, with battle-field nuclear weapons, have threatened already to suspend the transfer of their nuclear weapons to the Republic of Russia. In fact, today's newspaper article reveals a great cleavage here between Russia and its leader, that we consider, of the so-called aggregation, Yeltsin, and one of the more substantial Republics, as to who controls the navy or the Baltic Sea navy.

These are all incidents that can build up to a most threatening situation as far as terrorism is concerned to our country. It is a formidable array and combination of events that we can foresee. As far as we can, on our level, we are offering this legislation.

To compound it, we have learned nothing and our leaders have learned nothing, because now, not only with Iran and building up Iran to a tremendous potential, Iran has its interest in those 3 to 3½ million Moslem populations right on their border with Iraq. Iraq, its border is just 90 miles away from the Russian border, but on that other side you have Moslem Republics.

What we did do in the Persian Gulf encounter was to solidify the Moslem world, for we destroyed over 200,000 Moslem lives, and the Moslem and the fundamental movement is not just isolated to the Middle East. It is worldwide, clear over to Pakistan and other countries. Pakistan has developed great capacity.

Now we have China, and we have our leaders having given over the course of the last few years such things as licenses to produce the Silkworm missile, which incidentally was the one that struck our ship in the Persian Gulf when we were patrolling, killing those 37 sailors.

□ 1430

That was a missile from an Iraq source. But it was a Silkworm, and it was one that we licensed China to produce. Do not forget that North Korea in the meanwhile has gone into the business in great fashion. Despite what the Chinese leaders pledged as long ago as two Presidents, they have never kept their pledges, and that is a source of concern.

But just a few weeks ago the President vetoed legislation to impose tough conditions on renewing the trade privileges with China. While the United States has traditionally taken a tough stance against the proliferation of weapons of mass destruction, this administration did nothing to stop Saddam Hussein from building a massive war machine, and in fact actually complied with helping him build up that machine.

More recently, the press reported that despite a ban on military sales to Pakistan by the United States Government, this administration has widely permitted the Pakistani Armed Forces to buy spare parts for American-made F-16 fighter planes from commercial firms for the last year and a half. Intelligence reports have indicated that Pakistan is trying to equip these F-16 fighters to deliver nuclear weapons. CIA Director Robert Gates testified at a recent House Armed Services Committee hearing that the Iranian Government is buying \$2 million worth of weapons from foreign suppliers each year in a drive to again become the preeminent power in the Persian Gulf region. Russia, China, North Korea have been principal sellers of armaments to Iran. Also, Iran is now attempting to purchase hundreds of tanks from Eastern European countries.

Gates also expressed concern about Iran's efforts to develop poison gas warheads to place atop Scud missiles. He believes that Iran's relatively crude chemical weapons program is expected to produce such warheads within a few years.

Gates has also testified at the same hearing that Iraq retains some mobile Scud missile launchers, and as many as several hundred missiles that he and the CIA suspect that despite the continued efforts of the United Nations inspection teams, some of Iraq's nuclear weapons related equipment remains hidden. This may also be true of some chemical and biological weapons and the means to make more. Gates warned that if United Nations sanctions are removed, Iraq could restore its conventional military arsenals to their pre-Persian Gulf war levels in 3 to 5 years.

Clearly there is an urgent need for action. The aftermath of the Persian Gulf war demonstrates the pressing need to set tougher standards to prevent proliferation of this weaponry. It is obviously reaching a crisis point and

standing at a critical crossroads in the history of mankind. It is time for the United States to take a new look at the world community and take this opportunity to incorporate much needed reforms.

Russia and the various Republics that are now forming as a result of the disintegration of the Soviet Union are applying for IMF and World Bank status. It is imperative that the United States take a tough stand with Russia and the other emerging Republics who insist on becoming a member of the international community and reaping the benefits of these programs but it also includes a simultaneous requirement to be a responsible world citizen. This should also apply to the numerous other countries that have or are developing weapons.

Last week the IMF endorsed Russia's economic reform plan, paving the way for Moscow to receive up to \$4 billion in IMF aid over the next year. IMF officials have said that they expect Russia and most of the 14 former Soviet Republics to join the Fund in late April, with IMF aid to the new members beginning soon afterward. Altogether, Russia and the former Republics could qualify for as much as \$18 billion in IMF aid over the next 3 years.

President Bush has submitted to the Congress a large-scale aid package to help Russia and the other Republics, and as a matter of fact we suspended the markup of our international bill in the committee 2 weeks ago because the President had not announced his package of so-called aid to Russia which would be part and parcel of what we would have to consider in the fresh installment that the country is committed to doing for the IMF and the World Bank. While I do not deny the great need that currently exists for this country to exert some kind of leadership, which it has not, with respect to Russia and the countries that comprise the former Soviet Republics, I am concerned about the lack of a substantive United States and international policy aimed at coordinating and balancing their economic needs and concerns with the need for some kind of moratorium on the arming of these and Third World nations with weapons of mass destruction, and the technology needed to build such weapons.

One way to accomplish this goal is to insist that countries that benefit from these multilateral development banks, most of which we initiated, comply with all nonproliferation regimes. These regimes in turn should be tighter, tougher, and better enforced. But there must also be incentives for compliance.

Surely President Bush's inconsistent and oftentimes ill-fated foreign policy objectives demonstrate that the United States is not sending a clear and a consistent message to the rest of the

world. If the United States continues to pursue strategic and/or commercial interests, despite the negative consequences that such actions may have for proliferation, other countries are likely to do the same.

Let me say in all fairness with respect to these regimes for nonproliferation, some very important countries, some of them we consider our allies are not members. France, Israel, they are not members of that nonproliferation regime. So there is also this that we must confront if we are going to be exerting leadership in this very grave respect.

We are vulnerable. Our country is vulnerable. It is not as invulnerable as we would picture it. The great mass of military buildup which peaked and showed itself well during the so-called Persian war will be of little use in the economic and money battles that we now are engaged in. But more substantially, what have we got to defend if in the meanwhile our central cities are crumbling around our heads, if the infrastructure of our country is also collapsing? What is it we have to defend?

But we are also vulnerable to some of the most sophisticated types of terrorism, that God forbid should occur. We live in dense areas in which, for instance, the water supply, food supply are vulnerable. I remember, I was here when we had the curfews and the military during the rioting. It was awesome for me to walk the street from my office to my apartment at midnight, right here on Capitol Hill, and have a jeep come over and challenge and say, "What are you doing at this hour," to see the service stations close down at noon, grocery stores close down. What happens if the water supply is shut off or poisoned? These are things we had better start thinking about.

I am also chairman of the Subcommittee on Housing and Community Development. In the name of the subcommittee and the full committee, as of January, though actually I had started long before with the subcommittee, we have been going around the country. We started out on January 7 in Connecticut, Bridgeport. We went down to South Carolina. Then we went to Maryland, Ohio, Cleveland, where Cleveland in a decade has lost one-third of its industrial production capacity, much of it going across the border to Mexico and the so-called mequilladores, where that story has yet to be fully reported.

□ 1440

But why? Because the most vulnerable of our segment of society, the laboring class, is the one that has been sold down the river with very little or no viable protest.

The day of reckoning has to come. I say: Why wait? Why not anticipate? Why not prepare? Why wait until we

are in the midst of a seemingly uncontrollable crisis? I say this: I am not a prophet, and I am not an expert, but I know facts, and I have visited these States, also to California and Wisconsin, and we are going to continue the rest of this year in that our country is in distress, that our societies are actually, over 65 percent of them, in acute financial distress.

So what are we defending? What are we fighting in the way of defense? And how vulnerable in another way are we, a few samples of which I have just mentioned?

Well, it would be my desire that at a minimum an international moratorium on the proliferation of weapons of mass destruction would result. My bill, I am sure, and I feel in my heart, is a necessary unavoidable beginning. It is a reasonable starting point, late, but nevertheless we have to start at some point.

As I pointed out earlier, this bill also requires that Export-Import Bank be prohibited from providing financial assistance to countries that are not adhering to regimes for controlling weapons of mass destruction.

There is some legislation currently pending that would remove barriers that have prohibited the Eximbank from financing the sale of exports to the Soviet Union and other Communist-bloc countries.

I applaud these efforts of these countries to radically alter their economies to more capitalist and market-driven economies.

H.R. 4803

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Non-Proliferation of Weapons of Mass Destruction and Regulatory Improvement Act of 1992".

TITLE I—INTERNATIONAL DEVELOPMENT INSTITUTIONS AND EXPORT-IMPORT BANK

SEC. 101. FUNDING OF INTERNATIONAL DEVELOPMENT INSTITUTIONS DENIED.

(a) FUNDING PROHIBITION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, beginning 1 year after the date of the enactment of this Act, no department, agency, or officer of the United States Government may, on behalf of the United States, provide funds to any international development institution, or enter into any agreement to do so, if the most recent determination of the Secretary of the Treasury pursuant to paragraph (2) is that a member country of the institution—

(A) is capable of producing, or is seeking to produce, a type of weapon that is a subject of a regime for controlling weapons of mass destruction; and

(B) is not adhering to the regime.

(2) ROLE OF THE SECRETARY OF THE TREASURY.—Within 6 months after the date of the enactment of this Act, and annually thereafter, the Secretary of the Treasury, in consultation with the Secretary of State, the Secretary of Defense, and the Director of the Central Intelligence Agency, shall—

(A) determine which member countries referred to in paragraph (1) are capable of pro-

ducing, or are seeking to produce, a type of weapon that is a subject of a regime for controlling weapons of mass destruction;

(B) with respect to each country described in subparagraph (A)—

(i) identify the international development institutions of which the country is a member; and

(ii) determine whether or not the country is adhering to the regime; and

(C) report such information to the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(b) UNITED STATES TO URGE ADOPTION OF REQUIREMENT.—The Secretary of the Treasury shall instruct the United States Executive Director of each international development institution to use the voice and vote of the United States to urge the respective institution to amend the charter of the institution to require that, not later than 1 year after the date of the enactment of this Act, each member country of the institution which is capable of producing, or is seeking to produce, a type of weapon that is a subject of a regime for controlling weapons of mass destruction adhere to the regime.

(c) DEFINITIONS.—as used in this section:

(1) ADHERE.—The terms "adhere" and "adhering" mean, with respect to a country and a regime, that the country is honoring a formal commitment to participate in the regime that was made by the country to the other participants in the regime.

(2) INTERNATIONAL DEVELOPMENT INSTITUTION.—The term "international development institution" means the International Monetary Fund, the International Bank for Reconstruction and Development, the European Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the African Development Bank, the African Development Fund, the Asian Development Bank, the Inter-American Development Bank, and the Inter-American Investment Corporation.

(3) REGIME FOR CONTROLLING WEAPONS OF MASS DESTRUCTION.—The term "regime for controlling weapons of mass destruction" means—

(A) the nuclear weapons non-proliferation regime;

(B) the chemical weapons non-proliferation regime;

(C) the biological weapons non-proliferation regime; and

(D) the Missile Technology Control Regime (as defined in section 11B(c) of the Export Administration Act of 1979).

(4) NUCLEAR WEAPONS NON-PROLIFERATION REGIME.—The term "nuclear weapons non-proliferation regime" means—

(A) the Treaty on the Non-Proliferation of Nuclear Weapons, signed at Washington, D.C., London, and Moscow on July 1, 1968, (TIAS 6839), and any amendments thereto;

(B) Additional Protocols I and II to the Treaty for the Prohibition of Nuclear Weapons in Latin America (also known as the "Treaty of Tlatelolco"), signed at Mexico on February 14, 1967, (TIAS 7137), and any amendments thereto;

(C) the guidelines adopted by the Nuclear Suppliers Group, also known as the "London Club"; and

(D) the Convention on the Physical Protection of Nuclear Material, and any amendments thereto.

(5) CHEMICAL WEAPONS NON-PROLIFERATION REGIME.—The term "chemical weapons non-proliferation regime" means—

(A) the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or

Other Gases, and of Bacteriological Methods of Warfare (also known as the "Geneva Protocol of 1925"), and any amendments thereto; and

(B) the chemicals export controls adopted by the group known as the "Australia Group".

(6) BIOLOGICAL WEAPONS NON-PROLIFERATION REGIME.—The term "biological weapons non-proliferation regime" means—

(A) the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare (also known as the "Geneva Protocol of 1925"), and any amendments thereto; and

(B) the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (also known as the "Biological Weapons Convention"), and any amendments thereto.

SEC. 102. PROHIBITION AGAINST EXPORT-IMPORT BANK ASSISTANCE FOR EXPORTS TO CERTAIN COUNTRIES NOT ADHERING TO REGIMES FOR CONTROLLING WEAPONS OF MASS DESTRUCTION.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635i(b)) is amended by adding at the end the following:

"(13) The Bank may not guarantee, insure, extend credit, or participate in the extension of credit in connection with any export of goods or services to any country which—

"(A) is capable of producing, or is seeking to produce, a type of weapon that is a subject of a regime for controlling weapons of mass destruction (as defined in section 101(c) of the Non-Proliferation of Weapons of Mass Destruction and Regulatory Improvement Act of 1992); and

"(B) is not adhering to the regime (as determined in accordance with subsection (a) of such section)."

TITLE II—BANKING LAW ENFORCEMENT PROVISIONS

SEC. 201. REPORTING REQUIREMENT FOR FOREIGN BANKS.

The International Banking Act of 1978 (12 U.S.C. 3101 et seq.) is amended by adding at the end the following new section:

"SEC. 18. REPORTS ON DEPOSITS HELD BY OR ON BEHALF OF ANY FOREIGN BANK OR FOREIGN BANK AFFILIATE.

"Each branch, agency, or representative office of a foreign bank and each affiliate of a foreign bank which is organized under the laws of any State or maintains an office in any State shall submit an annual report to the Board listing the name of each depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act) at which deposits of such branch, agency, office, or affiliate are held".

SEC. 202. LIMITATIONS ON FOREIGN BANKS CONTROLLED BY FOREIGN GOVERNMENTS.

(a) IN GENERAL.—The International Banking Act of 1978 (12 U.S.C. 3101 et seq.) is amended by inserting after section 18 (as added by section 201) the following new section:

"SEC. 19. FOREIGN BANKS CONTROLLED BY FOREIGN GOVERNMENTS.

"(a) IN GENERAL.—Except as provided in subsection (b), a foreign bank which is controlled by the government of a foreign country may not, directly or through any branch or agency of the bank or any company controlled by the bank—

"(1) accept deposits in the United States;

"(2) make loans or other extensions of credit in the United States or to any United States person; or

"(3) engage in any other financial transactions in the United States or with any United States person.

"(b) EXCEPTION FOR TRADE-RELATED FINANCING.—The prohibition contained in subsection (a) shall not apply with respect to any loan or other extension of credit which qualifies, under regulations prescribed by the Board, as trade-related financing.

"(c) DETERMINATION OF CONTROL.—

"(1) IN GENERAL.—Any foreign government which, under section 2 of the Bank Holding Company Act of 1956, would be a bank holding company with respect to a foreign bank if—

"(A) such government were a company (as defined in such Act) which is subject to the Act; and

"(B) the foreign bank were a bank within the meaning of the Act, shall be deemed to control the foreign bank for purposes of this section.

"(2) APPLICABILITY OF SECTION 2 OF THE BANK HOLDING COMPANY ACT.—Section 2 of the Bank Holding Company Act of 1956 shall apply to—

"(A) any determination by the Board, pursuant to paragraph (1), of the applicability of this section to any foreign bank; and

"(B) the procedures for making and reviewing any such determination.

"(d) REGULATIONS.—The Board shall prescribe regulations—

"(1) establishing the criteria to be used in determining whether a loan or other extension of credit qualifies as trade-related financing and the procedures for making such determination; and

"(2) determining whether a foreign bank is controlled by the government of a foreign country.

"(e) DEFINITIONS.—For purposes of this section—

"(1) TRADE-RELATED FINANCING.—The term 'trade-related financing' means any loan or other extension of credit the proceeds of which are used to facilitate the export from the United States, or the import into the United States, of any goods or services.

"(2) UNITED STATES PERSON.—The term 'United States person' has the meaning given to such term in section 7(f)(2)(A) of the Securities Exchange Act of 1934."

SEC. 203. REVOCATION OF CHARTER OF FEDERAL DEPOSITORY INSTITUTIONS AUTHORIZED FOR EXPORT CONTROL OFFENSES.

(a) NATIONAL BANKS.—Section 5239 of the Revised Statutes (12 U.S.C. 93) is amended by adding at the end the following new subsection:

"(d) FORFEITURE OF FRANCHISE FOR EXPORT CONTROL OFFENSES.—

"(1) NOTICE OF INTENTION TO DECLARE CHARTER FORFEITED.—If the Comptroller of the Currency receives written notice from the Attorney General that any national bank and directors or senior executive officers of the bank have been found guilty of any export control offense, the Comptroller may issue a notice to the national bank of the Comptroller's intention to declare all rights, privileges, and franchises of such bank to be forfeited.

"(2) CONTENTS OF NOTICE.—Any notice issued by the Comptroller pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

"(3) HEARING, FORFEITURE OF CHARTER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Comptroller of the Currency (or any per-

son designated by the Comptroller for such purpose), the Comptroller finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the national bank was found guilty outweighs the benefits which the continued operation of the bank may provide (taking into account whether there will be significant losses to the Bank Insurance Fund), the Comptroller may issue an order declaring all rights, privileges, and franchises of such bank to be forfeited.

"(4) FACTORS FOR CONSIDERATION IN CHARTER REVOCATION PROCEEDING.—In making any determination under paragraph (3) to declare the forfeiture of all rights, privileges, and franchises of any national bank, the Comptroller of the Currency shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of the national bank knew of, or were involved in, the commission of the export control offense of which the bank was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the national bank which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the national bank has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the bank was found guilty.

"(D) The extent to which the national bank has implemented additional internal controls (since the commission of the offense of which the bank was found guilty) to prevent the occurrence of any other export control offense.

"(5) APPEARANCE CONSENT TO FORFEITURE.—Unless the national bank shall appear at the hearing by a duly authorized representative, the bank shall be deemed to have consented to the forfeiture of all rights, privileges, and franchises of the bank and the order referred to in paragraph (3) may be issued.

"(6) JUDICIAL REVIEW.—Any order issued by the Comptroller of the Currency under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any national bank referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the bank, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Comptroller) which was entered into in good faith by such person, this subsection shall not apply to such national bank with respect to such offense.

"(8) DEFINITIONS.—For purposes of this subsection—

"(A) EXPORT CONTROL OFFENSE DEFINED.—The term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.

"(B) NATIONAL BANK.—The term 'national bank' includes any Federal branch or agency operating in accordance with section 4 of the International Banking Act of 1978.

"(C) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Comptroller of the Currency pursuant to section 32(f) of the Federal Deposit Insurance Act."

(b) FEDERAL SAVINGS ASSOCIATIONS.—Section 5 of the Home Owners' Loan Act (12 U.S.C. 1464) is amended by adding at the end the following new subsection:

"(w) FORFEITURE OF CHARTER FOR EXPORT CONTROL OFFENSES.—

"(1) NOTICE OF INTENTION TO DECLARE CHARTER FORFEITED.—If the Director receives written notice from the Attorney General that any Federal savings association and directors or senior executive officers of the association have been found guilty of any export control offense, the Director may issue a notice to the Federal savings association of the Director's intention to declare the charter of the association to be forfeited.

"(2) CONTENTS OF NOTICE.—Any notice issued by the Director pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

"(3) HEARING, FORFEITURE OF CHARTER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Director (or any person designated by the Director for such purpose), the Director finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the Federal savings association was found guilty outweighs the benefits which the continued operation of the association may provide (taking into account whether there will be significant losses to the Savings Association Insurance Fund or the Resolution Trust Corporation), the Director may issue an order declaring the charter of the association to be forfeited.

"(4) FACTORS FOR CONSIDERATION IN CHARTER REVOCATION PROCEEDING.—In making any determination under paragraph (3) to declare the forfeiture of the charter of any Federal savings association, the Director shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of the savings association knew of, or were involved in, the commission of the export control offense of which the association was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the savings association which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the savings association has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the association was found guilty.

"(D) The extent to which the savings association has implemented additional internal controls (since the commission of the offense of which the savings association was found guilty) to prevent the occurrence of any other export control offense.

"(5) APPEARANCE, CONSENT TO FORFEITURE.—Unless the Federal savings association shall appear at the hearing by a duly authorized representative, the association shall be deemed to have consented to the forfeiture of the charter of the association and the order referred to in paragraph (3) may be issued.

"(6) JUDICIAL REVIEW.—Any order issued by the Director under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any Federal savings

association referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

“(A) after the commission of any export control offense;

“(B) by any person who was not an institution-affiliated party of the association, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

“(C) in an arms-length transaction (as determined by the Director) which was entered into in good faith by such person, this subsection shall not apply with respect to such association.

“(8) DEFINITIONS.—For purposes of this subsection—

“(A) EXPORT CONTROL OFFENSE.—The term ‘export control offense’ means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.

“(B) SENIOR EXECUTIVE OFFICERS.—The term ‘senior executive officers’ has the meaning given to such term by the Director pursuant to section 32(f) of the Federal Deposit Insurance Act.”

“(c) FEDERAL CREDIT UNIONS.—Title I of the Federal Credit Union Act (12 U.S.C. 1752 et seq.) is amended by adding at the end the following new section:

“SEC. 130. FORFEITURE OF ORGANIZATION CERTIFICATE FOR EXPORT CONTROL OFFENSES.

“(a) NOTICE OF INTENTION TO DECLARE CHARTER FORFEITED.—If the Board receives written notice from the Attorney General that any Federal credit union and directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union have been found guilty of any export control offense, the Board may issue a notice to the Federal credit union of the Board's intention to declare the charter of the credit union to be forfeited.

“(b) CONTENTS OF NOTICE.—Any notice issued by the Board pursuant to subsection (a) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

“(c) HEARINGS, FORFEITURE OF CHARTER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board find that, taking into account the factors required to be considered under subsection (d), the gravity of the offense of which the Federal credit union was found guilty outweighs the benefits which the continued operation of the credit union may provide (taking into account whether there will be significant losses to the national Credit Union Share Insurance Fund), the Board may issue an order declaring the charter of the credit union to be forfeited.

“(d) FACTORS FOR CONSIDERATION IN CHARTER REVOCATION PROCEEDINGS.—In making any determination under subsection (c) to declare the forfeiture of the charter of any Federal credit union, the Board shall take into account the following factors:

“(1) The extent to which directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union knew of, or were involved in, the commission of the export control offense of which the credit union was found guilty.

“(2) The extent to which the offense occurred despite the existence of policies and procedures within the credit union which were designed to prevent the occurrence of any such offense.

“(3) The extent to which the credit union has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the credit union was found guilty.

“(4) The extent to which the credit union has implemented additional internal controls (since the commission of the offense of which the credit union was found guilty) to prevent the occurrence of any other export control offense.

“(e) APPEARANCE, CONSENT TO FORFEITURE.—Unless the Federal credit union shall appear at the hearing by a duly authorized representative, the credit union shall be deemed to have consented to the forfeiture of the charter of the credit union and the order referred to in subsection (c) may be issued.

“(f) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

“(g) EXPORT CONTROL OFFENSE DEFINED.—For purposes of this section, the term ‘export control offense’ means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.”

“(d) ACTIONS AUTHORIZED WITH RESPECT TO EDGE ACT CORPORATIONS AND AGREEMENT CORPORATIONS.—The Federal Reserve Act is amended by redesignating section 25B (12 U.S.C. 632) as section 25C and by inserting after section 25A (12 U.S.C. 615 et seq.) the following section:

“SEC. 25B. FORFEITURE OF FRANCHISES AND TERMINATION OF APPROVALS UNDER SECTIONS 25 AND 25A AUTHORIZED FOR EXPORT CONTROL OFFENSES.

“(a) EDGE ACT CORPORATIONS.—

“(1) NOTICE OF INTENTION TO DECLARE CHARTER FORFEITED.—If the Board receives written notice from the Attorney General that any organization organized and operating under section 25A and directors or senior executive officers of the organization have been found guilty of any export control offense, the Board may issue a notice to the organization of the Board's intention to declare all rights, privileges, and franchises of such organization to be forfeited.

(2) CONTENTS OF NOTICE.—Any notice issued by the Board pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

(3) HEARING, FORFEITURE OF CHARTER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the organization was found guilty outweighs the benefits which the continued operation of the organization may provide, the Board may issue an order declaring all rights, privileges, and franchises of such organization to be forfeited.

(4) FACTORS FOR CONSIDERATION IN CHARTER REVOCATION PROCEEDING.—In making any determination under paragraph (3) to declare the forfeiture of all rights, privileges, and franchises of any organization organized

under section 25A, the Board shall take into account the following factors:

(A) The extent to which directors or senior executive officers of the organization knew of, or were involved in, the commission of the export control offense of which the organization was found guilty.

(B) The extent to which the offense occurred despite the existence of policies and procedures within the organization which were designed to prevent the occurrence of any such offense.

(C) The extent to which the organization has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the organization was found guilty.

(D) The extent to which the organization has implemented additional internal controls (since the commission of the offense of which the organization was found guilty) to prevent the occurrence of any other export control offense.

(5) APPEARANCE, CONSENT TO FORFEITURE.—Unless the organization shall appear at the hearing by a duly authorized representative, the organization shall be deemed to have consented to the forfeiture of all rights, privileges, and franchises of the organization and the order referred to in paragraph (3) may be issued.

(6) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any organization referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

(A) after the commission of any export control offense;

(B) by any person who was not an institution-affiliated party of the organization, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

(C) in an arms-length transaction (as determined by the Board) which was entered into in good faith by such person, this subsection shall not apply to such organization with respect to such offense.

“(b) TERMINATION OF APPROVAL FOR EXPORT CONTROL OFFENSES.—

“(1) NOTICE OF INTENTION TO TERMINATE APPROVAL.—If the Board receives written notice from the Attorney General that—

“(A) any—

“(i) national bank referred to in section 25;

“(ii) foreign branch of a national bank established pursuant to Board approval under section 25; or

“(iii) corporation or foreign bank in which a national bank has acquired an ownership interest pursuant to approval under such section; and

“(B) directors or senior executive officers of such national bank, branch, foreign bank, or corporation have been found guilty of any export control offense,

the Board may issue a notice to the national bank of the Board's intention to terminate approval of the operation of the foreign branch or the investment in the corporation or foreign bank.

“(2) CONTENTS OF NOTICE.—Any notice issued by the Board pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed termination of insured status.

“(3) HEARING, TERMINATION OF APPROVAL.—If, on the basis of the evidence presented at

a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the national bank, foreign branch, corporation, or foreign bank was found guilty outweighs the benefits which the continuation of the operation of the foreign branch or the investment in the corporation or foreign bank may provide, the Board may issue an order terminating the approval for the continued operation of the foreign branch or the continued investment in the corporation or foreign bank.

"(4) FACTORS FOR CONSIDERATION IN PROCEEDING TO TERMINATE INSURED STATUS.—In making any determination under paragraph (3) to terminate the approval under section 25 for a national bank to operate a foreign branch or to invest in a corporation or foreign bank described in such section, the Board shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of such national bank, foreign branch, corporation, or foreign bank knew of, or were involved in, the commission of the export control offense of which the bank, branch, corporation, or foreign bank was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the bank, branch, corporation, or foreign bank which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the bank, branch, corporation, or foreign bank has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the bank, branch, corporation, or foreign bank was found guilty.

"(D) The extent to which the bank, branch, corporation, or foreign bank had implemented additional internal controls (since the commission of the offense of which the bank, branch, corporation, or foreign bank was found guilty) to prevent the occurrence of any other export control offense.

"(5) APPEARANCE, CONSENT TO TERMINATION OF APPROVAL.—Unless the national bank shall appear at the hearing by a duly authorized representative, the national bank shall be deemed to have consented to the termination of the approval under section 25 for a national bank to operate a foreign branch or to invest in a corporation or foreign bank described in such section.

"(6) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any national bank referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B))—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the institution, or any affiliate of any such party, at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board which was entered into in good faith by such person, this subsection shall not apply to such national bank with respect to such offense.

"(c) DEFINITIONS.—For purposes of this section—

"(1) EXPORT CONTROL OFFENSE.—The term 'export control offense' means any violation

under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.

"(2) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Board pursuant to section 32(f) of the Federal Deposit Insurance Act."

SEC. 204. AUTHORITY TO TERMINATE THE INSURED STATUS OF STATE DEPOSITORY INSTITUTIONS CONVICTED OF EXPORT CONTROL OFFENSES.

(A) STATE DEPOSITORY INSTITUTIONS OTHER THAN STATE CHARTERED CREDIT UNIONS.—

(1) TERMINATION AUTHORIZED UPON CONVICTION OF DEPOSITORY INSTITUTION.—Section 8(a)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(2)(A)) is amended—

(A) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(B) by inserting after clause (i) the following new clause:

"(ii) The Attorney General has provided written notice that an insured State depository institution has been found guilty of any export control offense;"

(2) EXCEPTION IN CASE OF CHANGE IN CONTROL.—Section 8(a) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)) is amended by adding at the end of the following new paragraph:

"(1) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any State depository institution referred to in paragraph (2)(A)(ii) is acquired (as defined in section 13(f)(8)(B))—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the institution, or any affiliate of any such party, at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board of Directors) which was entered into in good faith by such person,

paragraph (2)(A)(ii) shall not apply to such depository institution with respect to such offense."

(3) HEARING ON TERMINATION REQUIRED UPON CONVICTION OF INSTITUTION AND DIRECTORS AND OFFICERS.—Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended by adding at the end of the following new subsection:

"(w) TERMINATION OF INSURANCE FOR EXPORT CONTROL OFFENSES.—

"(1) NOTICE OF INTENTION TO TERMINATE INSURANCE.—If the Board of Directors receives written notice from the Attorney General that any insured State depository institution and directors or senior executive officers of the depository institution have been found guilty of any export control offense, the Board of Directors may issue a notice to the depository institution of the Board of Directors' intention to terminate the insured status of such depository institution.

"(2) NOTICE TO STATE BANKING SUPERVISOR.—A copy of any notice issued by the Board of Directors under paragraph (1) to any insured State depository institution shall promptly be transmitted by the Board of Directors to the appropriate State banking supervisor of such depository institution.

"(3) CONTENTS OF NOTICE.—Any notice issued by the Board of Directors pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed termination of insured status.

"(4) HEARING, TERMINATION OF INSURED STATUS.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board of Directors (or any person designated by the Board of Directors for such purpose), the Board of Directors finds that, taking into account the factors required to be considered under paragraph (5), the gravity of the offense of which the depository institution was found guilty outweighs the benefits which the continuation of the insured status of the depository institution may provide (taking into account whether there will be significant losses to the Bank Insurance Fund, the Savings Association Insurance Fund, or the Resolution Trust Corporation), the Board of Directors may issue an order terminating the insured status of such State depository institution effective not earlier than the end of the 10-day period beginning on the date the State banking supervisor (of such depository institution) receives notice of the issuance of such order from the Board of Directors.

"(5) FACTORS FOR CONSIDERATION IN PROCEEDING TO TERMINATE INSURED STATUS.—In making any determination under paragraph (4) to terminate the insured status of any State depository institution, the Board of Directors shall take into account the following factors:

"(A) The extent to which directors of senior executive officers of the depository institution knew of, or were involved in, the commission of the export control offense of which the institution was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the depository institution which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the depository institution has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the institution was found guilty.

"(D) The extent to which the depository institution has implemented additional internal controls (since the commission of the offense of which the depository institution was found guilty) to prevent the occurrence of any other export control offense.

"(6) APPEARANCE, CONSENT TO TERMINATION OF INSURED STATUS.—Unless the State depository institution shall appear at the hearing by a duly authorized representative, the depository institution shall be deemed to have consented to the termination of the insured status of the depository institution and the order referred to in paragraph (4) may be issued.

"(7) JUDICIAL REVIEW.—Any order issued by the Board of Directors under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(8) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any depository institution referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B))—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the institution, or any affiliate of any such party, at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board of Directors) which was entered into in good faith by such person,

this subsection shall not apply to such depository institution with respect to such offense.

"(9) DEFINITIONS.—For purposes of this subsection and paragraphs (2)(A)(ii) and (11) of subsection (a)—

"(A) EXPORT CONTROL OFFENSE.—The term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.

"(B) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Board of Directors pursuant to section 32(f) of the Federal Deposit Insurance Act."

(b) STATE CHARTERED CREDIT UNIONS.—

(1) TERMINATION AUTHORIZED UPON CONVICTION OF DEPOSITORY INSTITUTION.—The first sentence of section 206(b)(1) of the Federal Credit Union Act (12 U.S.C. 1786(b)(1)) is amended by inserting "or the Board is notified in writing by the Attorney General that an insured credit union has been found guilty of any export control offense," after "entered into with the Board."

(2) HEARING ON TERMINATION REQUIRED UPON CONVICTION OF INSTITUTION AND DIRECTORS AND OFFICERS.—SECTION 206 OF THE FEDERAL CREDIT UNION ACT (12 U.S.C. 1786) IS AMENDED BY ADDING AT THE END OF THE FOLLOWING NEW SUBSECTION:

"(v) TERMINATION OF INSURANCE FOR EXPORT CONTROL OFFENSES.—

"(1) NOTICE OF INTENTION TO TERMINATE INSURANCE.—If the Board receives written notice from the Attorney General that any insured State chartered credit union and directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit unions have been found guilty of any export control offense, the Board may issue a notice to the credit union of the Board's intention to terminate the insured status of such credit union.

"(2) NOTICE TO STATE CREDIT UNION SUPERVISOR.—A copy of any notice issued by the Board under paragraph (1) to any insured State chartered credit union shall promptly be transmitted by the Board to the appropriate State credit union supervisor of such credit union.

"(3) CONTENTS OF NOTICE.—Any notice issued pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed termination of insured status.

"(4) HEARING, TERMINATION OF INSURED STATUS.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under paragraph (5), the gravity of the offense of which the credit union was found guilty outweighs the benefits which the continuation of the insured status of the credit union may provide (taking into account whether there will be significant losses to the National Credit Union Share Insurance Fund), the Board may issue an order terminating the insured status of such State chartered credit union effective not earlier than the end of the 10-day period beginning on the date the State credit union supervisor (of such credit union) receives notice of the issuance of such order from the Board.

"(5) FACTORS FOR CONSIDERATION IN PROCEEDING TO TERMINATE INSURED STATUS.—In making any determination under paragraph (4) to terminate the insured status of any State chartered credit union, the Board shall take into account the following factors:

"(A) The extent to which directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union knew of, or were involved in, the commission of the export control offense of which the credit union was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the credit union which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the credit union has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the credit union was found guilty.

"(D) The extent to which the credit union has implemented additional internal controls (since the commission of the offense of which the credit union was found guilty) to prevent the occurrence of any other export control offense.

"(6) APPEARANCE, CONSENT TO TERMINATION OF INSURED STATUS.—Unless the State chartered credit union shall appear at the hearing by a duly authorized representative, the credit union shall be deemed to have consented to the termination of insured status of the credit union and the order referred to in paragraph (4) may be issued.

"(7) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(8) EXPORT CONTROL OFFENSE DEFINED.—For purposes of this subsection and subsection (b)(1), the term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense."

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The last sentence of section 8(a)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(2)(A)) is amended by inserting "and shall not apply with respect to any notice under clause (ii)" before the period.

(2) Section 8(a)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(6)) is amended by striking "such termination" the 1st place such term appears and inserting "any termination of the insured status of any depository institution under this subsection or subsection (w)".

(3) The 1st sentence of section 8(a)(7) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(7)) is amended by striking "this subsection," and inserting "this subsection or subsection (w)".

(4) The 1st sentence of section 206(c) of the Federal Credit Union Act (12 U.S.C. 1786(c)) is amended by striking "(a)(2) or (b)" and inserting "(a)(2), (b), or (v)".

(5) The 1st sentence of section 206(d)(1) of the Federal Credit Union Act (12 U.S.C. 1786(d)(1)) is amended by striking "(a)(1) or (b)" and inserting "(a)(1), (b), or (v)".

SEC. 205. RESTRICTIONS ON STATE BRANCHES AND AGENCIES OF FOREIGN BANKS CONVICTED OF EXPORT CONTROL OFFENSES.

(a) Section 7 of the International Banking Act of 1978 (12 U.S.C. 3105) is amended by adding at the end the following new subsection:

"(e) LIMITATION ON ACTIVITIES AFTER CONVICTION FOR EXPORT CONTROL OFFENSES.—

"(1) NOTICE OF INTENTION TO ISSUE ORDER.—If the Board finds or receives written notice from the Attorney General that any State agency, any State branch which is not an in-

sured branch, or any foreign bank which operates a State agency or a State branch which is not an insured branch and directors or senior executive officers of any such agency, branch, or foreign bank have been found guilty of any export control offense, the Board may issue a notice to the agency or branch of the Board's intention to issue an order which prohibits the agency or branch from—

"(A) participating directly or indirectly in any aspect of the payment system, including any clearing or electronic fund transfer system;

"(B) accepting deposits, offering or providing payment services, holding credit balances, and making loans; and

"(C) engaging in any other activity which is similar to any activity described in this subparagraph.

"(2) CONTENTS OF NOTICE.—Any notice issued by the Board pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed order.

"(3) HEARING, ISSUANCE OF ORDER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the State agency or branch was found guilty outweighs the benefits which the continued operation of the agency or branch may provide, the Board may issue the order described in paragraph (1)(A).

"(4) FACTORS FOR CONSIDERATION IN PROCEEDING.—In making any determination under paragraph (3) to issue an order described in paragraph (1)(A) to any State agency or branch, the Board shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of the agency or branch, or the foreign bank which operates the agency or branch, knew of, or were involved in, the commission of the export control offense of which the bank was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the agency, branch or foreign bank which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the agency, branch, or foreign bank has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the agency, branch, or foreign bank was found guilty.

"(D) The extent to which the agency, branch, or foreign bank has implemented additional internal controls (since the commission of the offense of which the agency, branch, or foreign bank was found guilty) to prevent the occurrence of any other export control offense.

"(5) APPEARANCE, CONSENT TO FORFEITURE.—Unless the State agency or branch to which a notice was issued under paragraph (1)(A) shall appear at the hearing by a duly authorized representative, the agency or branch shall be deemed to have consented to the forfeiture of all rights, privileges, and franchises of the agency or branch and the order referred to in paragraph (3) may be issued.

"(6) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any State agency or branch referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the agency or branch, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board) which was entered into in good faith by such person, this subsection shall not apply to such agency or branch with respect to such offense.

"(8) DEFINITIONS.—For purposes of this subsection—

"(A) INSURED BRANCH.—The term 'insured branch' has the meaning given such term in section 3(s) of the Federal Deposit Insurance Act.

"(B) EXPORT CONTROL OFFENSE DEFINED.—The term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.

"(C) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Board pursuant to section 32(f) of the Federal Deposit Insurance Act."

SEC. 206. INFORMATION ON VIOLATIONS OF LAW INVOLVING INTERNATIONAL TRANSACTIONS REQUIRED TO BE INCLUDED IN ANNUAL REPORT.

Section 918(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 is amended by adding at the end the following new paragraph:

"(7) The names of institutions against which the agency initiated any formal or informal supervisory, administrative, or civil enforcement action with respect to an alleged violation by the institution of any law or regulation in connection with any international transaction or any deposits of any foreign person or government at the institution."

CONFERENCE REPORT ON S. 3, CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1992

Mr. GEJDENSON submitted the following conference report and statement on the Senate bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes.

CONFERENCE REPORT (REPT. 102-487)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3), to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate Election Campaigns, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE; AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Congressional Campaign Spending Limit and Election Reform Act of 1992".

(b) AMENDMENT OF FECA.—When used in this Act, the term "FECA" means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of Campaign Act; table of contents.

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

Sec. 101. Senate spending limits and benefits.

Sec. 102. Restrictions on activities of political action and candidate committees in Federal elections.

Sec. 103. Reporting requirements.

Sec. 104. Disclosure by noneligible candidates.

Subtitle B—Expenditure Limitations, Contribution Limitations, and Matching Funds for Eligible House of Representatives Candidates

Sec. 121. Provisions applicable to eligible House of Representatives candidates.

Sec. 122. Limitations on political committee and large donor contributions that may be accepted by House of Representatives candidates.

Sec. 123. Excess funds of incumbents who are candidates for the House of Representatives.

Subtitle C—General Provisions

Sec. 131. Broadcast rates and preemption.

Sec. 132. Extension of reduced third-class mailing rates to eligible House of Representatives and Senate candidates.

Sec. 133. Reporting requirements for certain independent expenditures.

Sec. 134. Campaign advertising amendments.

Sec. 135. Definitions.

Sec. 136. Provisions relating to franked mass mailings.

TITLE II—INDEPENDENT EXPENDITURES

Sec. 201. Clarification of definitions relating to independent expenditures.

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

Sec. 301. Personal contributions and loans.

Sec. 302. Extensions of credit.

Subtitle B—Provisions Relating to Soft Money of Political Parties

Sec. 311. Contributions to political party committees.

Sec. 312. Provisions relating to national, State, and local party committees.

Sec. 313. Restrictions on fundraising by candidates and officeholders.

Sec. 314. Reporting requirements.

TITLE IV—CONTRIBUTIONS

Sec. 401. Contributions through intermediaries and conduits.

Sec. 402. Contributions by dependents not of voting age.

Sec. 403. Contributions to candidates from State and local committees of political parties to be aggregated.

Sec. 404. Limited exclusion of advances by campaign workers from the definition of the term "contribution".

TITLE V—REPORTING REQUIREMENTS

Sec. 501. Change in certain reporting from a calendar year basis to an election cycle basis.

Sec. 502. Personal and consulting services.

Sec. 503. Reduction in threshold for reporting of certain information by persons other than political committees.

Sec. 504. Computerized indices of contributions.

TITLE VI—FEDERAL ELECTION COMMISSION

Sec. 601. Use of candidates' names.

Sec. 602. Reporting requirements.

Sec. 603. Provisions relating to the general counsel of the Commission.

Sec. 604. Enforcement.

Sec. 605. Penalties.

Sec. 606. Random audits.

Sec. 607. Prohibition of false representation to solicit contributions.

Sec. 608. Regulations relating to use of non-Federal money.

TITLE VII—BALLOT INITIATIVE COMMITTEES

Sec. 701. Definitions relating to ballot initiatives.

Sec. 702. Amendment to definition of contribution.

Sec. 703. Amendment to definition of expenditure.

Sec. 704. Organization of ballot initiative committees.

Sec. 705. Ballot initiative committee reporting requirements.

Sec. 706. Enforcement amendment.

Sec. 707. Prohibition of contributions in the name of another.

Sec. 708. Limitation on contribution of currency.

TITLE VIII—MISCELLANEOUS

Sec. 801. Prohibition of leadership committees.

Sec. 802. Polling data contributed to candidates.

Sec. 803. Debates by general election candidates who receive amounts from the Presidential Election Campaign Fund.

Sec. 804. Prohibition of certain election-related activities of foreign nationals.

Sec. 805. Amendment to FECA section 316.

Sec. 806. Telephone voting by persons with disabilities.

Sec. 807. Prohibition of use of Government aircraft in connection with elections for Federal office.

Sec. 808. Sense of the Congress.

TITLE IX—EFFECTIVE DATES; AUTHORIZATIONS

Sec. 901. Effective date.

Sec. 902. Delay of effective dates until funding legislation enacted.

Sec. 902. Budget neutrality.

Sec. 903. Severability.

Sec. 904. Expedited review of constitutional issues.

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

SEC. 101. SENATE SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end thereof the following new title:

"TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

"SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

"(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

"(1) meets the primary and general election filing requirements of subsections (b) and (c);

"(2) meets the primary and runoff election expenditure limits of subsection (d); and

"(3) meets the threshold contribution requirements of subsection (e).

"(b) **PRIMARY FILING REQUIREMENTS.**—(1) The requirements of this subsection are met if the candidate files with the Secretary of the Senate a declaration that—

"(A) the candidate and the candidate's authorized committees—

"(i) will meet the primary and runoff election expenditure limits of subsection (d); and

"(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

"(B) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 502(b); and

"(C) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 502(a).

"(2) The declaration under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

"(c) **GENERAL ELECTION FILING REQUIREMENTS.**—(1) The requirements of this subsection are met if the candidate files a certification with the Secretary of the Senate under penalty of perjury that—

"(A) the candidate and the candidate's authorized committees—

"(i) met the primary and runoff election expenditure limits under subsection (d); and

"(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (d), whichever is applicable, reduced by any amounts transferred to this election cycle from a preceding election cycle;

"(B) the candidate met the threshold contribution requirement under subsection (e), and that only allowable contributions were taken into account in meeting such requirement;

"(C) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(D) such candidate and the authorized committees of such candidate—

"(i) except as otherwise provided by this title, will not make expenditures which exceed the general election expenditure limit under section 502(b);

"(ii) will not accept any contributions in violation of section 315;

"(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of such contributions to exceed the sum of the amount of the general election expenditure limit under section 502(b) and the amounts described in subsections (c) and (d) of section 502, reduced by—

"(I) the amount of voter communication vouchers issued to the candidate; and

"(II) any amounts transferred to this election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii);

"(iv) will deposit all payments received under this title in an account insured by the Federal Deposit Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

"(v) will furnish campaign records, evidence of contributions, and other appropriate information to the Commission; and

"(vi) will cooperate in the case of any audit and examination by the Commission under section 506; and

"(E) the candidate intends to make use of the benefits provided under section 503.

"(2) The declaration under paragraph (1) shall be filed not later than 7 days after the earlier of—

"(A) the date the candidate qualifies for the general election ballot under State law; or

"(B) if, under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

"(d) **PRIMARY AND RUNOFF EXPENDITURE LIMITS.**—(1) The requirements of this subsection are met if:

"(A) The candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

"(i) 67 percent of the general election expenditure limit under section 502(b); or

"(ii) \$2,750,000.

"(B) The candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(b).

"(2) The limitations under subparagraphs (A) and (B) of paragraph (1) with respect to any candidate shall be increased by the aggregate amount of independent expenditures in opposition to, or on behalf of any opponent of, such candidate during the primary or runoff election period, whichever is applicable, which are required to be reported to the Secretary of the Senate with respect to such period under section 304(c).

"(3)(A) If the contributions received by the candidate or the candidate's authorized committees for the primary election or runoff election exceed the expenditures for either such election, such excess contributions shall be treated as contributions for the general election and expenditures for the general election may be made from such excess contributions.

"(B) Subparagraph (A) shall not apply to the extent that such treatment of excess contributions—

"(i) would result in the violation of any limitation under section 315; or

"(ii) would cause the aggregate contributions received for the general election to exceed the limits under subsection (c)(1)(D)(iii).

"(e) **THRESHOLD CONTRIBUTION REQUIREMENTS.**—(1) The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

"(A) 10 percent of the general election expenditure limit under section 502(b); or

"(B) \$250,000.

"(2) For purposes of this section and section 503(b)—

"(A) The term 'allowable contributions' means contributions which are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor.

"(B) The term 'allowable contributions' shall not include—

"(i) contributions made directly or indirectly through an intermediary or conduit which are treated as made by such intermediary or conduit under section 315(a)(8)(B);

"(ii) contributions from any individual during the applicable period to the extent such contributions exceed \$250; or

"(iii) contributions from individuals residing outside the candidate's State to the extent such contributions exceed 50 percent of the aggregate allowable contributions (without regard to this clause) received by the candidate during the applicable period.

Clauses (ii) and (iii) shall not apply for purposes of section 503(b).

"(3) For purposes of this subsection and section 503(b), the term 'applicable period' means—

"(A) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on—

"(i) the date on which the certification under subsection (c) is filed by the candidate; or

"(ii) for purposes of section 503(b), the date of such general election; or

"(B) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election involved.

"(f) **INDEXING.**—The \$2,750,000 amount under subsection (d)(1) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for purposes of subsection (d)(1), the base period shall be calendar year 1992.

"SEC. 502. LIMITATIONS ON EXPENDITURES.

"(a) **LIMITATION ON USE OF PERSONAL FUNDS.**—(1) The aggregate amount of expenditures which may be made during an election cycle by an eligible Senate candidate or such candidate's authorized committees from the sources described in paragraph (2) shall not exceed the lesser of—

"(A) 10 percent of the general election expenditure limit under subsection (b); or

"(B) \$250,000.

"(2) A source is described in this paragraph if it is—

"(A) personal funds of the candidate and members of the candidate's immediate family; or

"(B) personal debt incurred by the candidate and members of the candidate's immediate family.

"(b) **GENERAL ELECTION EXPENDITURE LIMIT.**—(1) Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

"(A) \$5,500,000; or

"(B) the greater of—

"(i) \$950,000; or

"(ii) \$400,000; plus

"(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

"(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

"(2) In the case of an eligible Senate candidate in a State which has no more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

"(A) '80 cents' for '30 cents' in subclause (I); and

"(B) '70 cents' for '25 cents' in subclause (II).

"(3) The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 501(f) (relating to indexing).

"(c) **LEGAL AND ACCOUNTING COMPLIANCE FUND.**—(1) The limitation under subsection (b) shall not apply to qualified legal and accounting expenditures made by a candidate or the candidate's authorized committees or a Federal officerholder from a legal and accounting compliance fund meeting the requirements of paragraph (2).

"(2) A legal and accounting compliance fund meets the requirements of this paragraph if—

"(A) the only amounts transferred to the fund are amounts received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate amounts transferred to, and expenditures made from, the fund do not exceed the sum of—

"(i) the lesser of—

"(I) 15 percent of the general election expenditure limit under subsection (b) for the general election for which the fund was established; or

"(II) \$300,000; plus

"(ii) the amount determined under paragraph (4); and

"(C) no funds received by the candidate pursuant to section 503(a)(3) may be transferred to the fund.

"(3) For purposes of this subsection, the term 'qualified legal and accounting expenditures' means the following:

"(A) Any expenditures for costs of legal and accounting services provided in connection with—

"(i) any administrative or court proceeding initiated pursuant to this Act during the election cycle for such general election; or

"(ii) the preparation of any documents or reports required by this Act or the Commission.

"(B) Any expenditures for legal and accounting services provided in connection with the general election for which the legal and accounting compliance fund was established to ensure compliance with this Act with respect to the election cycle for such general election.

"(4)(A) If, after a general election, a candidate determines that the qualified legal and accounting expenditures will exceed the limitation under paragraph (2)(B)(i), the candidate may petition the Commission by filing with the Secretary of the Senate a request for an increase in such limitation. The Commission shall authorize an increase in such limitation in the amount (if any) by which the Commission determines the qualified legal and accounting expenditures exceed such limitation. Such determination shall be subject to judicial review under section 506.

"(B) Except as provided in section 315, any contribution received or expenditure made pursuant to this paragraph shall not be taken into account for any contribution or expenditure limit applicable to the candidate under this title.

"(5) Any funds in a legal and accounting compliance fund shall be treated for purposes of this Act as a separate segregated fund, except that any portion of the fund not used to pay qualified legal and accounting expenditures, and not transferred to a legal and accounting compliance fund for the election cycle for the next general election, shall be treated in the same manner as other campaign funds.

"(d) PAYMENT OF TAXES.—The limitation under subsection (b) shall not apply to any expenditure for Federal, State, or local taxes with respect to a candidate's authorized committees.

"(e) EXPENDITURES.—For purposes of this title, the term 'expenditure' has the meaning given such term by section 301(9), except that in determining any expenditures made by, or on behalf of, a candidate or a candidate's authorized committees, section 301(9)(B) shall be applied without regard to clause (ii) or (vi) thereof.

"SEC. 503. BENEFITS ELIGIBLE CANDIDATE ENTITLED TO RECEIVE.

"(a) IN GENERAL.—An eligible Senate candidate shall be entitled to—

"(1) the broadcast media rates provided under section 315(b) of the Communications Act of 1934;

"(2) the mailing rates provided in section 3626(e) of title 39, United States Code;

"(3) payments in the amounts determined under subsection (b); and

"(4) voter communication vouchers in the amount determined under subsection (c).

"(b) AMOUNT OF PAYMENTS.—(1) For purposes of subsection (a)(3), the amounts determined under this subsection are—

"(A) the independent expenditure amount; and

"(B) in the case of an eligible Senate candidate who has an opponent in the general election who receives contributions, or makes (or obligates to make) expenditures, for such election in excess of the general election expenditure

limit under section 502(b), the excess expenditure amount.

"(2) For purposes of paragraph (1), the independent expenditure amount is the total amount of independent expenditures made, or obligated to be made, during the general election period by 1 or more persons in opposition to, or on behalf of an opponent of, an eligible Senate candidate which are required to be reported by such persons under section 304(c) with respect to the general election period and are certified by the Commission under section 304(c).

"(3) For purposes of paragraph (1), the excess expenditure amount is the amount determined as follows:

"(A) In the case of a major party candidate, an amount equal to the sum of—

"(i) if the excess described in paragraph (1)(B) is not greater than 133 1/3 percent of the general election expenditure limit under section 502(b), an amount equal to one-third of such limit applicable to the eligible Senate candidate for the election; plus

"(ii) if such excess equals or exceeds 133 1/3 percent but is less than 166 2/3 percent of such limit, an amount equal to one-third of such limit; plus

"(iii) if such excess equals or exceeds 166 2/3 percent of such limit, an amount equal to one-third of such limit.

"(B) In the case of an eligible Senate candidate who is not a major party candidate, an amount equal to the lesser of—

"(i) the allowable contributions of the eligible Senate candidate during the applicable period in excess of the threshold contribution requirement under section 501(e); or

"(ii) 50 percent of the general election expenditure limit applicable to the eligible Senate candidate under section 502(b).

"(c) VOTER COMMUNICATION VOUCHERS.—(1) The aggregate amount of voter communication vouchers issued to an eligible Senate candidate shall be equal to 20 percent of the general election expenditure limit under section 502(b) (10 percent of such limit if such candidate is not a major party candidate).

"(2) Voter communication vouchers shall be used by an eligible Senate candidate to purchase broadcast time during the general election period in the same manner as other broadcast time may be purchased by the candidate.

"(d) WAIVER OF EXPENDITURE AND CONTRIBUTION LIMITS.—(1) An eligible Senate candidate who receives payments under subsection (a)(3) which are allocable to the independent expenditure or excess expenditure amounts described in paragraphs (2) and (3) of subsection (b) may make expenditures from such payments to defray expenditures for the general election without regard to the general election expenditure limit under section 502(b).

"(2)(A) An eligible Senate candidate who receives benefits under this section may make expenditures for the general election without regard to clause (i) of section 501(c)(1)(D) or subsection (a) or (b) of section 502 if any one of the eligible Senate candidate's opponents who is not an eligible Senate candidate either raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 200 percent of the general election expenditure limit applicable to the eligible Senate candidate under section 502(b).

"(B) The amount of the expenditures which may be made by reason of subparagraph (A) shall not exceed 100 percent of the general election expenditure limit under section 502(b).

"(3)(A) A candidate who receives benefits under this section may receive contributions for the general election without regard to clause (iii) of section 501(c)(1)(D) if—

"(i) a major party candidate in the same general election is not an eligible Senate candidate; or

"(ii) any other candidate in the same general election who is not an eligible Senate candidate raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 75 percent of the general election expenditure limit applicable to such other candidate under section 502(b).

"(B) The amount of contributions which may be received by reason of subparagraph (A) shall not exceed 100 percent of the general election expenditure limit under section 502(b).

"(e) USE OF PAYMENTS.—Payments received by a candidate under subsection (a)(3) shall be used to defray expenditures incurred with respect to the general election period for the candidate. Such payments shall not be used—

"(1) except as provided in paragraph (4), to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate;

"(2) to make any expenditure other than expenditures to further the general election of such candidate;

"(3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made; or

"(4) subject to the provisions of section 315(k), to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"SEC. 504. CERTIFICATION BY COMMISSION.

"(a) IN GENERAL.—(1) The Commission shall certify to any candidate meeting the requirements of section 502 that such candidate is an eligible Senate candidate entitled to benefits under this title. The Commission shall revoke such certification if it determines a candidate fails to continue to meet such requirements.

"(2) No later than 48 hours after an eligible Senate candidate files a request with the Secretary of the Senate to receive benefits under section 505, the Commission shall issue a certification stating whether such candidate is eligible for payments under this title or to receive voter communication vouchers and the amount of such payments or vouchers to which such candidate is entitled. The request referred to in the preceding sentence shall contain—

"(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

"(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 505 and judicial review under section 506.

"SEC. 505. EXAMINATION AND AUDITS; REPAYMENTS; CIVIL PENALTIES.

"(a) EXAMINATION AND AUDITS.—(1) After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 percent of all candidates for the office of United States Senator to determine, among other things, whether such candidates have complied with the expenditure limits and conditions of eligibility of this title, and other requirements of this Act. Such candidates shall be designated by the Commission through the use of an appropriate statistical method of random selection. If the Commission selects a candidate, the Commission shall examine and audit the campaign accounts of all other candidates in the general election for the office the selected candidate is seeking.

"(2) The Commission may conduct an examination and audit of the campaign accounts of

any candidate in a general election for the office of United States Senator if the Commission determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(b) EXCESS PAYMENTS; REVOCATION OF STATUS.—(1) If the Commission determines that payments or vouchers were made to an eligible Senate candidate under this title in excess of the aggregate amounts to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay an amount equal to the excess.

"(2) If the Commission revokes the certification of a candidate as an eligible Senate candidate under section 504(a)(1), the Commission shall notify the candidate, and the candidate shall pay an amount equal to the payments and vouchers received under this title.

"(c) MISUSE OF BENEFITS.—If the Commission determines that any amount of any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay the amount of such benefit.

"(d) EXCESS EXPENDITURES.—If the Commission determines that any eligible Senate candidate who has received benefits under this title has made expenditures which in the aggregate exceed—

"(1) the primary or runoff expenditure limit under section 501(d); or

"(2) the general election expenditure limit under section 502(b),

the Commission shall so notify such candidate and such candidate shall pay an amount equal to the amount of the excess expenditures.

"(e) CIVIL PENALTIES FOR EXCESS EXPENDITURES AND CONTRIBUTIONS.—(1) If the Commission determines that a candidate has committed a violation described in subsection (c), the Commission may assess a civil penalty against such candidate in an amount not greater than 200 percent of the amount involved.

"(2)(A) LOW AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by 2.5 percent or less shall pay an amount equal to the amount of the excess expenditures.

"(B) MEDIUM AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by more than 2.5 percent and less than 5 percent shall pay an amount equal to three times the amount of the excess expenditures.

"(C) LARGE AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by 5 percent or more shall pay an amount equal to three times the amount of the excess expenditures plus a civil penalty in an amount determined by the Commission.

"(f) UNEXPENDED FUNDS.—Any amount received by an eligible Senate candidate under this title may be retained for a period not exceeding 120 days after the date of the general election for the liquidation of all obligations to pay expenditures for the general election incurred during the general election period. At the end of such 120-day period, any unexpended funds received under this title shall be promptly repaid.

"(g) LIMIT ON PERIOD FOR NOTIFICATION.—No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"SEC. 506. JUDICIAL REVIEW.

"(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of

this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"SEC. 507. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCES.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 506 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) INSTITUTION OF ACTIONS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to the Secretary.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) APPEALS.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 508. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible Senate candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 504 as benefits available to each eligible Senate candidate; and

"(3) the amount of repayments, if any, required under section 505 and the reasons for each repayment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) STATEMENT TO SENATE.—Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"SEC. 509. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE SENATE CANDIDATES.

"No eligible Senate candidate may receive amounts under section 503(a)(3) unless such

candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies."

"(b) EFFECTIVE DATES.—(1) Except as provided in this subsection, the amendment made by subsection (a) shall apply to elections occurring after December 31, 1993.

"(2) For purposes of any expenditure or contribution limit imposed by the amendment made by subsection (a)—

"(A) no expenditure made before January 1, 1993, shall be taken into account, except that there shall be taken into account any such expenditure for goods or services to be provided after such date; and

"(B) all cash, cash items, and Government securities on hand as of January 1, 1993, shall be taken into account in determining whether the contribution limit is met, except that there shall not be taken into account amounts used during the 60-day period beginning on January 1, 1993, to pay for expenditures which were incurred (but unpaid) before such date.

"(c) EFFECT OF INVALIDITY ON OTHER PROVISIONS OF ACT.—If section 501, 502, or 503 of title V of FECA (as added by this section), or any part thereof, is held to be invalid, all provisions of, and amendments made by, this Act shall be treated as invalid.

SEC. 102. RESTRICTIONS ON ACTIVITIES OF POLITICAL ACTION AND CANDIDATE COMMITTEES IN FEDERAL ELECTIONS.

"(a) CONTRIBUTIONS.—Section 315 of FECA (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i) CONTRIBUTIONS BY POLITICAL ACTION COMMITTEES TO SENATE CANDIDATES.—(1) In the case of a candidate for election, or nomination for election, to the United States Senate (and such candidate's authorized committees), subsection (a)(2)(A) shall be applied by substituting '\$2,500' for '\$5,000'.

"(2) It shall be unlawful for a multicandidate political committee to make a contribution to a candidate for election, or nomination for election, to the United States Senate (or an authorized committee) to the extent that the making of the contribution will cause the amount of contributions received by the candidate and the candidate's authorized committees from multicandidate political committees to exceed the lesser of—

"(A) \$825,000; or

"(B) the greater of—

"(i) \$375,000; or

"(ii) 20 percent of the sum of the general election spending limit under section 502(b) plus the primary election spending limit under section 501(d)(1)(A) (without regard to whether the candidate is an eligible Senate candidate).

"(3) In the case of an election cycle in which there is a runoff election, the limit determined under paragraph (2) shall be increased by an amount equal to 20 percent of the runoff election expenditure limit under section 501(d)(1)(B) (without regard to whether the candidate is such an eligible Senate candidate).

"(4) The \$825,000 and \$375,000 amounts in paragraph (2) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that for purposes of paragraph (2), the base period shall be calendar year 1992.

"(5) A candidate or authorized committee that receives a contribution from a multicandidate political committee in excess of the amount allowed under paragraph (2) shall return the amount of such excess contribution to the contributor."

SEC. 103. REPORTING REQUIREMENTS.

Title III of FECA is amended by adding after section 304 the following new section:

"REPORTING REQUIREMENTS FOR SENATE CANDIDATES

"SEC. 304A. (a) CANDIDATE OTHER THAN ELIGIBLE SENATE CANDIDATE.—(1) Each candidate for the office of United States Senator who does not file a certification with the Secretary of the Senate under section 501(c) shall file with the Secretary of the Senate a declaration as to whether such candidate intends to make expenditures for the general election in excess of the general election expenditure limit applicable to an eligible Senate candidate under section 502(b). Such declaration shall be filed at the time provided in section 501(c)(2).

"(2) Any candidate for the United States Senate who qualifies for the ballot for a general election—

"(A) who is not an eligible Senate candidate under section 501; and

"(B) who either raises aggregate contributions, or makes or obligates to make aggregate expenditures, for the general election which exceed 75 percent of the general election expenditure limit applicable to an eligible Senate candidate under section 502(b),

shall file a report with the Secretary of the Senate within 24 hours after such contributions have been raised or such expenditures have been made or obligated to be made (or, if later, within 24 hours after the date of qualification for the general election ballot), setting forth the candidate's total contributions and total expenditures for such election as of such date. Thereafter, such candidate shall file additional reports (until such contributions or expenditures exceed 200 percent of such limit) with the Secretary of the Senate within 24 hours after each time additional contributions are raised, or expenditures are made or are obligated to be made, which in the aggregate exceed an amount equal to 10 percent of such limit and after the total contributions or expenditures exceed 133 $\frac{1}{3}$, 166 $\frac{2}{3}$, and 200 percent of such limit.

"(3) The Commission—

"(A) shall, within 24 hours of receipt of a declaration or report under paragraph (1) or (2), notify each eligible Senate candidate in the election involved about such declaration or report; and

"(B) if an opposing candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in excess of the applicable general election expenditure limit under section 502(b), shall certify, pursuant to the provisions of subsection (d), such eligibility for payment of any amount to which such eligible Senate candidate is entitled under section 503(a).

"(4) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate in a general election who is not an eligible Senate candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in the amounts which would require a report under paragraph (2). The Commission shall, within 24 hours after making each such determination, notify each eligible Senate candidate in the general election involved about such determination, and shall, when such contributions or expenditures exceed the general election expenditure limit under section 502(b), certify (pursuant to the provisions of subsection (d)) such candidate's eligibility for payment of any amount under section 503(a).

"(b) REPORTS ON PERSONAL FUNDS.—(1) Any candidate for the United States Senate who during the election cycle expends more than the limitation under section 502(a) during the election cycle from his personal funds, the funds of his immediate family, and personal loans in-

curved by the candidate and the candidate's immediate family shall file a report with the Secretary of the Senate within 24 hours after such expenditures have been made or loans incurred.

"(2) The Commission within 24 hours after a report has been filed under paragraph (1) shall notify each eligible Senate candidate in the election involved about each such report.

"(3) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures in excess of the amount under paragraph (1). The Commission within 24 hours after making such determination shall notify each eligible Senate candidate in the general election involved about each such determination.

"(c) CANDIDATES FOR OTHER OFFICES.—(1) Each individual—

"(A) who becomes a candidate for the office of United States Senator;

"(B) who, during the election cycle for such office, held any other Federal, State, or local office or was a candidate for such other office; and

"(C) who expended any amount during such election cycle before becoming a candidate for the office of United States Senator which would have been treated as an expenditure if such individual had been such a candidate, including amounts for activities to promote the image or name recognition of such individual, shall, within 7 days of becoming a candidate for the office of United States Senator, report to the Secretary of the Senate the amount and nature of such expenditures.

"(2) Paragraph (1) shall not apply to any expenditures in connection with a Federal, State, or local election which has been held before the individual becomes a candidate for the office of United States Senator.

"(3) The Commission shall, as soon as practicable, make a determination as to whether the amounts included in the report under paragraph (1) were made for purposes of influencing the election of the individual to the office of United States Senator.

"(d) CERTIFICATIONS.—Notwithstanding section 505(a), the certification required by this section shall be made by the Commission on the basis of reports filed in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination.

"(e) COPIES OF REPORTS AND PUBLIC INSPECTION.—The Secretary of the Senate shall transmit a copy of any report or filing received under this section or of title V (whenever a 24-hour response is required of the Commission) as soon as possible (but no later than 4 working hours of the Commission) after receipt of such report or filing, and shall make such report or filing available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such reports and filings in the same manner as the Commission under section 311(a)(5).

"(f) DEFINITIONS.—For purposes of this section, any term used in this section which is used in title V shall have the same meaning as when used in title V."

SEC. 104. DISCLOSURE BY NONELIGIBLE CANDIDATES.

Section 318 of FECA (2 U.S.C. 441d), as amended by section 133, is amended by adding at the end thereof the following:

"(e) If a broadcast, cablecast, or other communication is paid for or authorized by a candidate in the general election for the office of United States Senator who is not an eligible Senate candidate, or the authorized committee of such candidate, such communication shall contain the following sentence: 'This candidate has not agreed to voluntary campaign spending limits.'"

Subtitle B—Expenditure Limitations, Contribution Limitations, and Matching Funds for Eligible House of Representatives Candidates

SEC. 121. PROVISIONS APPLICABLE TO ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES.

"(a) IN GENERAL.—FECA, as amended by section 101(a), is amended by adding at the end the following new title:

"TITLE VI—EXPENDITURE LIMITATIONS, CONTRIBUTION LIMITATIONS, AND MATCHING FUNDS FOR ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES

"SEC. 601. EXPENDITURE LIMITATIONS.

"(a) IN GENERAL.—An eligible House of Representatives candidate may not, in an election cycle, make expenditures aggregating more than \$800,000, of which not more than \$500,000 may be expended in the general election period.

"(b) RUNOFF ELECTION AND SPECIAL ELECTION AMOUNTS.—

"(1) RUNOFF ELECTION AMOUNT.—In addition to the expenditures under subsection (a), an eligible House of Representatives candidate who is a candidate in a runoff election may make expenditures aggregating not more than 20 percent of the general election period limit under subsection (a).

"(2) SPECIAL ELECTION AMOUNT.—An eligible House of Representatives candidate who is a candidate in a special election may make expenditures aggregating not more than \$500,000 with respect to the special election.

"(c) CLOSELY CONTESTED PRIMARY.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, subject to the general election period limitation in subsection (a), the candidate may make additional expenditures of not more than \$150,000 in the general election period. The additional expenditures shall be from contributions described in section 603(h) and payments described in section 604(f).

"(d) NONPARTICIPATING OPPONENT PROVISIONS.—

"(1) LIMITATION EXCEPTION.—The limitations imposed by subsections (a) and (b) do not apply in the case of an eligible House of Representatives candidate if any other candidate seeking nomination or election to that office—

"(A) is not an eligible House of Representatives candidate; and

"(B) makes expenditures in excess of 80 percent of the general election period limitation specified in subsection (a).

"(2) CONTINUED ELIGIBILITY AND ADDITIONAL MATCHING FUNDS.—An eligible House of Representatives candidate referred to in paragraph (1)—

"(A) shall continue to be eligible for all benefits under this title; and

"(B) shall receive matching funds without regard to the ceiling under section 604(a).

"(3) REPORTING REQUIREMENT.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress—

"(A) who is not an eligible House of Representatives candidate; and

"(B) who—

"(i) receives contributions in excess of 50 percent of the general election period limitation specified in subsection (a)(1); or

"(ii) makes expenditures in excess of 80 percent of such limit;

shall report that the threshold has been reached to the Clerk of the House of Representatives not later than 48 hours after reaching the threshold. The Clerk shall transmit a report received under this paragraph to the Commission as soon as

possible (but no later than 4 working hours of the Commission) after such receipt, and the Commission shall transmit a copy to each other candidate in the election within 48 hours of receipt.

"(e) **EXEMPTION FOR CERTAIN COSTS AND TAXES.**—Payments for legal and accounting compliance costs, and Federal, State, or local taxes with respect to a candidate's authorized committees, shall not be considered in the computation of amounts subject to limitation under this section.

"(f) **EXEMPTION FOR FUNDRAISING COSTS.**—

"(1) Any costs incurred by an eligible House of Representatives candidate or his or her authorized committee in connection with the solicitation of contributions on behalf of such candidate shall not be considered in the computation of amounts subject to limitation under this section to the extent that the aggregate of such costs does not exceed 5 percent of the limitation under subsection (a) or subsection (b).

"(2) An amount equal to 5 percent of salaries and overhead expenditures of an eligible House of Representatives candidate's campaign headquarters and offices shall not be considered in the computation of amounts subject to limitation under this section. Any amount excluded under this paragraph shall be applied against the fundraising expenditure exemption under paragraph (1).

"(g) **CIVIL PENALTIES.**—

"(1) **LOW AMOUNT OF EXCESS EXPENDITURES.**—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subsection (a) or subsection (b) by 2.5 percent or less shall pay to the Commission an amount equal to the amount of the excess expenditures.

"(2) **MEDIUM AMOUNT OF EXCESS EXPENDITURES.**—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subsection (a) or subsection (b) by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to three times the amount of the excess expenditures.

"(3) **LARGE AMOUNT OF EXCESS EXPENDITURES.**—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subsection (a) or subsection (b) by 5 percent or more shall pay to the Commission an amount equal to three times the amount of the excess expenditures plus a civil penalty in an amount determined by the Commission.

"(h) **INDEXING.**—The dollar amounts specified in subsections (a), (b), (c), and (e) shall be adjusted at the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.

"**SEC. 602. STATEMENT OF PARTICIPATION; CONTINUING ELIGIBILITY.**

"(a) **IN GENERAL.**—The Commission shall determine whether a candidate is in compliance with this title and, by reason of such compliance, is eligible to receive benefits under this title. Such determination shall—

"(1) in the case of an initial determination, be based on a statement of participation submitted by the candidate; and

"(2) in the case of a determination of continuing eligibility, be based on relevant additional information submitted in such form and manner as the Commission may require.

"(b) **FILING.**—The statement of participation referred to in subsection (a) shall be filed with the Clerk of the House of Representatives not later than January 31 of the election year or on the date on which the candidate files a statement of candidacy, whichever is later. The Clerk of the House of Representatives shall transmit a

statement received under this section to the Commission as soon as possible.

"**SEC. 603. CONTRIBUTION LIMITATIONS.**

"(a) **ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATE LIMITATION.**—An eligible House of Representatives candidate may not, with respect to an election cycle, accept contributions aggregating in excess of \$600,000.

"(b) **NONPARTICIPATING OPPONENT PROVISIONS.**—The limitations imposed by subsection (a) do not apply in the case of an eligible House of Representatives candidate if any other candidate seeking nomination or election to that office—

"(1) is not an eligible House of Representatives candidate; and

"(2) receives contributions in excess of 50 percent of the general election period limitation specified in section 601(a).

"(c) **TRANSFER PROVISIONS.**—

"(1) If an eligible House of Representatives candidate transfers any amount from an election cycle to a later election cycle, the limitation with respect to the candidate under subsection (a) for the later cycle shall be an amount equal to the difference between the amount specified in that subsection and the amount transferred.

"(2) If an eligible House of Representatives candidate transfers any amount from an election cycle to a later election cycle, each limitation with respect to the candidate under section 315(j) for the later cycle shall be one-third of the difference between the applicable amount specified in subsection (a) and the amount transferred.

"(d) **RUNOFF AMOUNT.**—In addition to the contributions under subsection (a), an eligible House of Representatives candidate who is a candidate in a runoff election may accept contributions aggregating not more than 20 percent of the general election expenditure limit under section 601(a) in the general election period. Of such contributions, one-half may be from political committees and one-half may be from persons referred to in section 315(j)(2).

"(e) **PERSONAL CONTRIBUTIONS.**—

"(1) **IN GENERAL.**—An eligible House of Representatives candidate may not, with respect to an election cycle, make contributions to his or her own campaign totaling more than \$50,000 from the personal funds of the candidate. The amount that the candidate may accept from persons referred to in section 315(j)(2) shall be reduced by the amount of contributions made under the preceding sentence. Contributions from the personal funds of a candidate may not be matched under section 604.

"(2) **LIMITATION EXCEPTION.**—The limitation imposed by paragraph (1) does not apply in the case of an eligible House of Representatives candidate if any other candidate—

"(A) is not an eligible House of Representatives candidate; and

"(B) receives contributions in excess of 50 percent of the general election period limitation specified in section 601(a).

"(3) **TRIPLE MATCH.**—An eligible House of Representatives candidate, whose opponent makes contributions to his or her own campaign in excess of 50 percent of the general election period limitation specified in section 601(a), shall receive \$3 in matching funds for each \$1 certified by the Commission as matchable for the eligible candidate.

"(f) **CIVIL PENALTIES.**—

"(1) **LOW AMOUNT OF EXCESS CONTRIBUTIONS.**—Any eligible House of Representatives candidate who accepts contributions that exceed the limitation under subsection (a) by 2.5 percent or less shall refund the excess contributions to the persons who made the contributions.

"(2) **MEDIUM AMOUNT OF EXCESS CONTRIBUTIONS.**—Any eligible House of Representatives candidate who accepts contributions that exceed

a limitation under subsection (a) by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to three times the amount of the excess contributions.

"(3) **LARGE AMOUNT OF EXCESS CONTRIBUTIONS.**—Any eligible House of Representatives candidate who accepts contributions that exceed a limitation under subsection (a) by 5 percent or more shall pay to the Commission an amount equal to three times the amount of the excess contributions plus a civil penalty in an amount determined by the Commission.

"(g) **EXEMPTION FOR CERTAIN COSTS.**—(1) Any amount—

"(A) accepted by a candidate for the office of Representative in, or Delegate or Resident Commissioner to the Congress; and

"(B) used for legal and accounting compliance costs, or used to pay Federal, State, or local taxes with respect to a candidate's authorized committees shall not be considered in the computation of amounts subject to limitation under subsection (a).

"(2) The balance of funds maintained for legal and accounting compliance costs by the authorized committees of an eligible House of Representatives candidate shall not exceed 20 percent of the limit under subsection (a) at any time.

"(3) No funds received by a candidate under section 604 may be transferred to a separate legal and accounting compliance fund.

"(h) **CLOSELY CONTESTED PRIMARY.**—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, notwithstanding the limitation in subsection (a), the candidate may, in the general election period, accept additional contributions of not more than \$150,000, consisting of—

"(1) not more than \$50,000 from political committees; and

"(2) not more than \$50,000 from individuals referred to in section 315(j)(2).

"(i) **INDEXING.**—The dollar amounts specified in subsections (a), (d), (e), and (h) shall be adjusted at the beginning of the calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.

"**SEC. 604. MATCHING FUNDS.**

"(a) **IN GENERAL.**—An eligible House of Representatives candidate shall be entitled to receive, with respect to the general election, an amount equal to the amount of contributions from individuals received by the candidate, but not more than \$200,000, and not to the extent that contributions from any individual during the election cycle exceed \$250 in the aggregate.

"(b) **INDEPENDENT EXPENDITURE PROVISION.**—If, with respect to a general election involving an eligible House of Representatives candidate, independent expenditures totaling \$10,000 are made against the eligible House of Representatives candidate or in favor of another candidate, the eligible House of Representatives candidate shall be entitled, in addition to any amount received under subsection (a), to a matching payment of \$10,000 and additional matching payments equal to the amount of such independent expenditures above \$10,000, and expenditures may be made from such payments without regard to the limitations in section 601.

"(c) **SPECIFIC REQUIREMENTS.**—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may receive matching funds under subsection (a) only if the candidate—

"(1) in an election cycle, has received \$60,000 in contributions from individuals, with not more than \$250 to be taken into account per individual;

"(2) qualifies for the general election ballot;
 "(3) has an opponent on the general election ballot; and

"(4) files a statement of participation in which the candidate agrees to—

"(A) comply with the limitations under sections 601 and 603;

"(B) cooperate in the case of any audit by the Commission by furnishing such campaign records and other information as the Commission may require; and

"(C) comply with any repayment requirement under section 605.

"(d) WRITTEN INSTRUMENT REQUIREMENT.—No contribution in any form other than a gift of money made by a written instrument that identifies the individual making the contribution may be used as a basis for any matching payment under this section.

"(e) CERTIFICATION AND PAYMENT.—

"(1) CERTIFICATION.—Except as provided in paragraphs (2) and (3), not later than 5 days after receiving a request for payment, the Commission shall certify for payment the amount requested under subsection (a) or (b).

"(2) PAYMENTS.—The initial payment under subsection (a) to an eligible candidate shall be \$60,000. All payments shall be—

"(A) made not later than 48 hours after certification under paragraph (1); and

"(B) subject to proportional reduction in the case of insufficient funds.

"(3) INCORRECT REQUEST.—If the Commission determines that any portion of a request is incorrect, the Commission shall withhold the certification for that portion only and inform the candidate as to how the candidate may correct the request.

"(f) CLOSELY CONTESTED PRIMARY.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, the candidate shall be entitled to matching funds totaling not more than \$50,000, in addition to any other amount received under this section.

"(g) CONVERSIONS TO PERSONAL USE.—A candidate may not convert any amount received under this section to personal use other than for reimbursement of verifiable prior campaign expenditures.

"(h) INDEXING.—The dollar amounts specified in subsections (a), (b), (c) (other than the amount in subsection (c) to be taken into account per individual), and (f) shall be adjusted at the beginning of the calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.

"SEC. 605. EXAMINATION AND AUDITS; REPAYMENTS.

"(a) GENERAL ELECTION.—After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 percent of the eligible House of Representatives candidates, as designated by the Commission through the use of an appropriate statistical method of random selection, to determine whether such candidates have complied with the conditions of eligibility and other requirements of this title. No other factors shall be considered in carrying out such an examination and audit. In selecting the accounts to be examined and audited, the Commission shall select all eligible candidates from a congressional district where any eligible candidate is selected for examination and audit.

"(b) SPECIAL ELECTION.—After each special election, the Commission shall conduct an examination and audit of the campaign accounts of all eligible candidates in the election to determine whether the candidates have complied with the conditions of eligibility and other requirements of this title.

"(c) AFFIRMATIVE VOTE.—The Commission may conduct an examination and audit of the campaign accounts of any eligible House of Representatives candidate in a general election if the Commission, by an affirmative vote of 4 members, determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(d) PAYMENTS.—If the Commission determines that any amount of a payment to a candidate under this title was in excess of the aggregate payments to which such candidate was entitled, the Commission shall so notify the candidate, and the candidate shall pay an amount equal to the excess.

"SEC. 606. JUDICIAL REVIEW.

"(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"SEC. 607. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCES.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 606 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) INSTITUTION OF ACTIONS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to the Secretary.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) APPEALS.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 608. REPORTS TO CONGRESS; CERTIFICATIONS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the House of Representatives setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the aggregate amount of matching fund payments certified by the Commission under section 604 for each eligible candidate; and

"(3) the amount of repayments, if any, required under section 605, and the reasons for each repayment required.

Each report submitted pursuant to this section shall be printed as a House document.

"(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under section 604) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 605 or judicial review under section 606.

"(c) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (d), to conduct such audits, examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(d) REPORT OF PROPOSED REGULATIONS.—The Commission shall submit to the House of Representatives a report containing a detailed explanation and justification of each rule, regulation, and form of the Commission under this title. No such rule, regulation, or form may take effect until a period of 30 legislative days has elapsed after the report is received. As used in this subsection—

"(1) the term 'legislative day' means any calendar day on which the House of Representatives is in session; and

"(2) the terms 'rule' and 'regulation' mean a provision or series of interrelated provisions stating a single, separable rule of law.

"SEC. 609. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES.

"No eligible House of Representatives candidate may receive amounts under section 604 unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies."

"(b) EFFECT OF INVALIDITY ON OTHER PROVISIONS OF ACT.—If title VI of FECA (as added by this section), or any part thereof, is held to be invalid, all provisions of, and amendments made by, this Act, shall be treated as invalid.

"SEC. 122. LIMITATIONS ON POLITICAL COMMITTEE AND LARGE DONOR CONTRIBUTIONS THAT MAY BE ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 102, is amended by adding at the end the following new subsection:

"(j)(1) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions from political committees aggregating in excess of \$200,000.

"(2) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions aggregating in excess of \$200,000 from persons other than political committees whose contributions total more than \$250.

"(3) In addition to the contributions under paragraphs (1) and (2), a House of Representatives candidate who is a candidate in a runoff election may accept contributions aggregating not more than \$100,000 with respect to the runoff election. Of such contributions, one-half may be from political committees and one-half may be from persons referred to in paragraph (2).

"(4) Any amount—

"(A) accepted by a candidate for the office of Representative in, or Delegate or Resident Commissioner to the Congress; and

"(B) used for legal and accounting compliance costs, Federal, State, and local taxes,

shall not be considered in the computation of amounts subject to limitation under paragraphs (1), (2), and (3), but shall be subject to the other limitations of this Act.

"(5) In addition to any other contributions under this subsection, if, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, the candidate may, in the general election period, accept contributions of not more than \$150,000, consisting of—

"(A) not more than \$50,000 from political committees; and

"(B) not more than \$50,000 from persons referred to in paragraph (2).

"(6) The dollar amounts specified in paragraphs (1), (2), (3), and (5) (other than the amounts in paragraphs (2) and (5) relating to contribution totals) shall be adjusted in the manner provided in section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992."

SEC. 123. EXCESS FUNDS OF INCUMBENTS WHO ARE CANDIDATES FOR THE HOUSE OF REPRESENTATIVES.

An individual who—

(1) is a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in an election cycle to which title VI of FECA (as enacted by section 121 of this Act) applies;

(2) is an incumbent of that office; and

(3) as of the date of the first statement of participation submitted by the individual under section 502 of FECA, has campaign accounts containing in excess of \$600,000;

shall deposit such excess in a separate account subject to the provision of section 304 of FECA. The amount so deposited shall be available for any lawful purpose other than use, with respect to the individual, for an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.

Subtitle C—General Provisions

SEC. 131. BROADCAST RATES AND PREEMPTION.

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "forty-five" and inserting in lieu thereof "30";

(B) by striking out "sixty" and inserting in lieu thereof "45"; and

(C) by striking out "lowest unit charge of the station for the same class and amount of time for the same period" and insert "lowest charge of the station for the same amount of time for the same period on the same date"; and

(2) by adding at the end the following new sentence:

"In the case of an eligible Senate candidate (as defined in section 301(19) of the Federal Election Campaign Act of 1971), the charges during the general election period (as defined in section 301(21) of such Act) shall not exceed 50 percent of the lowest charge described in paragraph (1)."

(b) PREEMPTION; ACCESS.—Section 315 of such Act (47 U.S.C. 315) is amended by redesignating subsections (c) and (d) as subsections (e) and (f), respectively, and by inserting immediately after subsection (b) the following new subsection:

"(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1), of a broadcasting station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to the provisions of subsection (b)(1).

"(2) If a program to be broadcast by a broadcasting station is preempted because of cir-

cumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.

"(d) In the case of a legally qualified candidate for the United States Senate, a licensee shall provide broadcast time without regard to the rates charged for the time."

SEC. 132. EXTENSION OF REDUCED THIRD-CLASS MAILING RATES TO ELIGIBLE HOUSE OF REPRESENTATIVES AND SENATE CANDIDATES.

Section 3626(e) of title 39, United States Code, is amended—

(1) in paragraph (2)(A)—

(A) by striking out "and the National" and inserting in lieu thereof "the National"; and

(B) by striking out "Committee;" and inserting in lieu thereof "Committee, and, subject to paragraph (3), the principal campaign committee of an eligible House of Representatives or Senate candidate";

(2) in paragraph (2)(B), by striking out "and" after the semicolon;

(3) in paragraph (2)(C), by striking out the period and inserting in lieu thereof "; and";

(4) by adding after paragraph (2)(C) the following new subparagraph:

"(D) the terms 'eligible House of Representatives candidate', 'eligible Senate candidate', and 'principal campaign committee' have the meanings given those terms in section 301 of the Federal Election Campaign Act of 1971."; and

(5) by adding after paragraph (2) the following new paragraph:

"(3) The rate made available under this subsection with respect to an eligible House of Representatives or Senate candidate shall apply only to—

"(A) the general election period (as defined in section 301 of the Federal Election Campaign Act of 1971); and

"(B) that number of pieces of mail equal to the number of individuals in the voting age population (as certified under section 315(e) of such Act) of the congressional district or State, whichever is applicable."

SEC. 133. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304(c) of FECA (2 U.S.C. 434(c)) is amended—

(1) in paragraph (2), by striking out the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) as paragraph (5); and

(3) by inserting after paragraph (2), as amended by paragraph (1), the following new paragraphs:

"(3)(A) Any independent expenditure (including those described in subsection (b)(6)(B)(iii) of this section) aggregating \$1,000 or more made after the 20th day, but more than 24 hours, before any election shall be reported within 24 hours after such independent expenditure is made.

"(B) Any independent expenditure aggregating \$10,000 or more made at any time up to and including the 20th day before any election shall be reported within 48 hours after such independent expenditure is made. An additional statement shall be filed each time independent expenditures aggregating \$10,000 are made with respect to the same election as the initial statement filed under this section.

"(C) Such statement shall be filed with the Clerk of the House of Representatives or the Secretary of the Senate, whichever is applicable, and the Secretary of State of the State involved and shall contain the information required by subsection (b)(6)(B)(iii) of this section, including whether the independent expenditure is in support of, or in opposition to, the candidate involved. The Clerk of the House of Representatives and the Secretary of the Senate shall as

soon as possible (but not later than 4 working hours of the Commission) after receipt of a statement transmit it to the Commission. Not later than 48 hours after the Commission receives a report, the Commission shall transmit a copy of the report to each candidate seeking nomination or election to that office.

"(D) For purposes of this section, the term 'made' includes any action taken to incur an obligation for payment.

"(4)(A) If any person intends to make independent expenditures totaling \$5,000 during the 20 days before an election, such person shall file a statement no later than the 20th day before the election.

"(B) Such statement shall be filed with the Clerk of the House of Representatives or the Secretary of the Senate, whichever is applicable, and the Secretary of State of the State involved, and shall identify each candidate whom the expenditure will support or oppose. The Clerk of the House of Representatives and the Secretary of the Senate shall as soon as possible (but not later than 4 working hours of the Commission) after receipt of a statement transmit it to the Commission. Not later than 48 hours after the Commission receives a statement under this paragraph, the Commission shall transmit a copy of the statement to each candidate identified.

"(5) The Commission may make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any Federal election which in the aggregate exceed the applicable amounts under paragraph (3) or (4). The Commission shall notify each candidate in such election of such determination within 24 hours of making it.

"(6) At the same time as a candidate is notified under paragraph (3), (4), or (5) with respect to expenditures during a general election period, the Commission shall certify eligibility to receive benefits under section 504(a) or section 604(b).

"(7) The Clerk of the House of Representatives and the Secretary of the Senate shall make any statement received under this subsection available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such statements in the same manner as the Commission under section 311(a)(5)."

SEC. 134. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of FECA (2 U.S.C. 441d) is amended—

(1) in the matter before paragraph (1) of subsection (a), by striking "an expenditure" and inserting "a disbursement";

(2) in the matter before paragraph (1) of subsection (a), by striking "direct";

(3) in paragraph (3) of subsection (a), by inserting after "name" the following "and permanent street address"; and

(4) by adding at the end the following new subsections:

"(c) Any printed communication described in subsection (a) shall be—

"(1) of sufficient type size to be clearly readable by the recipient of the communication;

"(2) contained in a printed box set apart from the other contents of the communication; and

"(3) consist of a reasonable degree of color contrast between the background and the printed statement.

"(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the statement required by paragraph (1) shall—

"(A) appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(B) be accompanied by a clearly identifiable photographic or similar image of the candidate.

"(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement—

"is responsible for the content of this advertisement."

with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor; and, if broadcast or cablecast by means of television, shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds."

SEC. 135. DEFINITIONS.

(a) IN GENERAL.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraph (19) and inserting the following new paragraphs:

"(19) The term 'eligible Senate candidate' means a candidate who is eligible under section 502 to receive benefits under title V.

"(20) The term 'general election' means any election which will directly result in the election of a person to a Federal office, but does not include an open primary election.

"(21) The term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

"(A) the date of such general election; or

"(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

"(22) The term 'immediate family' means—

"(A) a candidate's spouse;

"(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

"(C) the spouse of any person described in subparagraph (B).

"(23) The term 'major party' has the meaning given such term in section 9002(6) of the Internal Revenue Code of 1986, except that if a candidate qualified under State law for the ballot in a general election in an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, such candidate shall be treated as a candidate of a major party for purposes of title V.

"(24) The term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for a Federal office.

"(25) The term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

"(A) the date of the first primary election for that office following the last general election for that office; or

"(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election.

"(26) The term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for a Federal office.

"(27) The term 'runoff election period' means, with respect to any candidate, the period begin-

ning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office.

"(28) The term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e).

"(29) The term 'eligible House of Representatives candidate' means a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress, who, as determined by the Commission under section 602, is eligible to receive matching payments and other benefits under title VI by reason of filing a statement of participation and complying with the continuing eligibility requirements under section 602.

"(30) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election."

(b) IDENTIFICATION.—Section 301(13) of FECA (2 U.S.C. 431(13)) is amended by striking "mailing address" and inserting "permanent residence address".

SEC. 136. PROVISIONS RELATING TO FRANKED MASS MAILINGS.

(a) MASS MAILINGS OF SENATORS.—Section 3210(a)(6) of title 39, United States Code, is amended—

(1) in subparagraph (A), by striking "It is the intent of Congress that a Member of, or a Member-elect to, Congress" and inserting "A Member of, or Member-elect to, the House"; and

(2) in subparagraph (C)—

(A) by striking "if such mass mailing is postmarked fewer than 60 days immediately before the date" and inserting "if such mass mailing is postmarked during the calendar year"; and

(B) by inserting "or reelection" immediately before the period.

(b) MASS MAILINGS OF HOUSE MEMBERS.—Section 3210 of title 39, United States Code, is amended—

(1) in subsection (a)(7), by striking "except that—" and all that follows through the end of subparagraph (B) and inserting a period; and

(2) in subsection (d)(1), by striking "delivery—" and all that follows through the end of subparagraph (B) and inserting "delivery within that area constituting the congressional district or State from which the Member was elected."

(c) PROHIBITION ON USE OF OFFICIAL FUNDS.—The Committee on House Administration of the House of Representatives may not approve any payment, nor may a Member of the House of Representatives make any expenditure from, any allowance of the House of Representatives or any other official funds if any portion of the payment or expenditure is for any cost related to a mass mailing by a Member of the House of Representatives outside the congressional district of the Member.

TITLE II—INDEPENDENT EXPENDITURES

SEC. 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

"(17)(A) The term 'independent expenditure' means an expenditure for an advertisement or other communication that—

"(i) contains express advocacy; and

"(ii) is made without the participation or cooperation of a candidate or a candidate's representative.

"(B) The following shall not be considered an independent expenditure:

"(i) An expenditure made by a political committee of a political party.

"(ii) An expenditure made by a person who, during the election cycle, has communicated with or received information from a candidate or a representative of that candidate regarding activities that have the purpose of influencing that candidate's election to Federal office, where the expenditure is in support of that candidate or in opposition to another candidate for that office.

"(iii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

"(iv) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

"(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

"(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

"(v) An expenditure if the person making the expenditure has advised or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, including any advice relating to the candidate's decision to seek Federal office.

"(vi) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing those services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office.

"(vii) An expenditure if the person making the expenditure has consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, with—

"(I) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(II) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

"(18) The term 'express advocacy' means, when a communication is taken as a whole, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party, or a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity."

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking "or" after the semicolon at the end;

(2) in clause (ii), by striking the period at the end and inserting "or"; and

(3) by adding at the end the following new clause:

"(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that does not qualify as an independent expenditure under paragraph (17)(A)(ii)."

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

SEC. 301. PERSONAL CONTRIBUTIONS AND LOANS.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 122, is amended by adding at the end the following new subsection:

"(k) LIMITATIONS ON PAYMENTS TO CANDIDATES.—(1) If a candidate or a member of the candidate's immediate family made any loans to the candidate or to the candidate's authorized committees during any election cycle, no contributions after the date of the general election for such election cycle may be used to repay such loans.

"(2) No contribution by a candidate or member of the candidate's immediate family may be returned to the candidate or member other than as part of a pro rata distribution of excess contributions to all contributors."

SEC. 302. EXTENSIONS OF CREDIT.

Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)), as amended by section 201(b), is amended—

(1) by striking "or" at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting "; or"; and

(3) by inserting at the end the following new clause:

"(iv) with respect to a candidate and the candidate's authorized committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, or by mailings, or relating to other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than \$1,000; and

"(II) for a period greater than the period, not in excess of 60 days, for which credit is generally extended in the normal course of business after the date on which such goods or services are furnished or the date of the mailing in the case of advertising by a mailing."

Subtitle B—Provisions Relating to Soft Money of Political Parties

SEC. 311. CONTRIBUTIONS TO POLITICAL PARTY COMMITTEES.

(a) INDIVIDUAL CONTRIBUTIONS TO STATE PARTY.—Paragraph (1) of section 315(a) of FECA (2 U.S.C. 441a(a)(1)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to political committees established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed \$10,000; or"

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Paragraph (2) of section 315(a) of FECA (2 U.S.C. 441a(a)(2)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to political committees established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed \$10,000; or"

(c) INCREASE IN OVERALL LIMIT.—Paragraph (3) of section 315(a) of FECA (2 U.S.C. 441a(a)(3)) is amended by adding at the end thereof the following new sentence: "The limitation under this paragraph shall be increased (but not by more than \$5,000) by the amount of contributions made by an individual during a calendar year to political committees which are

taken into account for purposes of paragraph (1)(C)."

SEC. 312. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) EXPENDITURES BY STATE COMMITTEES IN CONNECTION WITH PRESIDENTIAL CAMPAIGNS.—Section 315(d) of FECA (2 U.S.C. 441a(d)) is amended by inserting at the end thereof the following new paragraph:

"(4) A State committee of a political party, including subordinate committees of that State committee, shall not make expenditures in connection with the general election campaign of a candidate for President of the United States who is affiliated with such party which, in the aggregate, exceed an amount equal to 4 cents multiplied by the voting age population of the State, as certified under subsection (e). This paragraph shall not authorize a committee to make expenditures for audio broadcasts (including television broadcasts) in excess of the amount which could have been made without regard to this paragraph."

(b) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (zi), by striking "direct mail" and inserting "mail"; and

(B) by repealing clauses (x) and (zii).

(2) Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended by repealing clauses (viii) and (ix).

(c) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—(1) Title III of FECA is amended by inserting after section 323 the following new section:

"POLITICAL PARTY COMMITTEES

"SEC. 324. (a) Any amount solicited, received, or expended directly or indirectly by a national, State, district, or local committee of a political party (including any subordinate committee) with respect to an activity which, in whole or in part, is in connection with an election to Federal office shall be subject in its entirety to the limitations, prohibitions, and reporting requirements of this Act.

"(b) For purposes of subsection (a)—

"(1) Any activity which is solely for the purpose of influencing an election for Federal office is in connection with an election for Federal office.

"(2) Except as provided in paragraph (3), any of the following activities during a Federal election period shall be treated as in connection with an election for Federal office:

"(A) Voter registration and get-out-the-vote activities.

"(B) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that—

"(i) are generic campaign activities; or

"(ii) identify a Federal candidate regardless of whether a State or local candidate is also identified.

"(C) The preparation and dissemination of campaign materials that are part of a generic campaign activity or that identify a Federal candidate, regardless of whether a State or local candidate is also identified.

"(D) Development and maintenance of voter files.

"(E) Any other activity affecting (in whole or in part) an election for Federal office.

"(3) The following shall not be treated as in connection with a Federal election:

"(A) Any amount described in section 301(8)(B)(viii).

"(B) Any amount contributed to a candidate for other than Federal office.

"(C) Any amount received or expended in connection with a State or local political convention.

"(D) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that are exclusively on behalf of State or local candidates and are not activities described in paragraph (2)(A).

"(E) Administrative expenses of a State or local committee of a political party, including expenses for—

"(i) overhead;

"(ii) staff (other than individuals devoting a substantial portion of their activities to elections for Federal office);

"(iii) meetings; and

"(iv) conducting party elections or caucuses.

"(F) Research pertaining solely to State and local candidates and issues.

"(G) Development and maintenance of voter files other than during a Federal election period.

"(H) Activities described in paragraph (2)(A) which are conducted other than during a Federal election period.

"(I) Any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office.

"(4) For purposes of this subsection, the term 'Federal election period' means the period—

"(A) beginning on June 1, of any even-numbered calendar year (April 1 if an election to the office of President occurs in such year), and

"(B) ending on the date during such year on which regularly scheduled general elections for Federal office occur.

In the case of a special election, the Federal election period shall include at least the 60-day period ending on the date of the election.

"(c) SOLICITATION OF COMMITTEES.—(1) A national committee of a political party may not solicit or accept contributions not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Paragraph (1) shall not apply to contributions that—

"(A) are to be transferred to a State committee of a political party for use directly for activities described in subsection (b)(3); or

"(B) are to be used by the committee primarily to support such activities.

"(d) AMOUNTS RECEIVED FROM STATE AND LOCAL CANDIDATE COMMITTEES.—(1) For purposes of subsection (a), any amount received by a national, State, district, or local committee of a political party (including any subordinate committee) from a State or local candidate committee shall be treated as meeting the requirements of subsection (a) and section 304(d) if—

"(A) such amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount, and

"(B) the State or local candidate committee—

"(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether such requirements are met, and

"(ii) certifies to the other committee that such requirements were met.

"(2) Notwithstanding paragraph (1), any committee receiving any contribution described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act with respect to receipt of the contribution from such candidate committee.

"(3) For purposes of this subsection, a State or local candidate committee is a committee established, financed, maintained, or controlled by a candidate for other than Federal office."

(2) Section 315(d) of FECA (2 U.S.C. 441a(d)), as amended by subsection (a), is amended by adding at the end thereof the following new paragraph:

"(5)(A) The national committee of a political party, the congressional campaign committees of a political party, and a State or local committee of a political party, including a subordinate committee of any of the preceding committees, shall not make expenditures during any calendar year for activities described in section 324(b)(2) with respect to such State which, in the aggregate, exceed an amount equal to 30 cents multiplied by the voting age population of the State (as certified under subsection (e)).

"(B) Expenditures authorized under this paragraph shall be in addition to other expenditures allowed under this subsection, except that this paragraph shall not authorize a committee to make expenditures to which paragraph (3) or (4) applies in excess of the limit applicable to such expenditures under paragraph (3) or (4).

"(C) No adjustment to the limitation under this paragraph shall be made under subsection (c) before 1992 and the base period for purposes of any such adjustment shall be 1990.

"(D) For purposes of this paragraph—

"(i) a local committee of a political party shall only include a committee that is a political committee (as defined in section 301(4)); and

"(ii) a State committee shall not be required to record or report under this Act the expenditures of any other committee which are made independently from the State committee."

(3) Section 301(4) of FECA (2 U.S.C. 431(4)) is amended by adding at the end the following new sentence:

"For purposes of subparagraph (C), any payments for get-out-the-vote activities on behalf of candidates for office other than Federal office shall be treated as payments exempted from the definition of expenditure under paragraph (9) of this section."

(d) **GENERIC ACTIVITIES.**—Section 301 of FECA (2 U.S.C. 431), as amended by section 135, is amended by adding at the end thereof the following new paragraph:

"(31) The term 'generic campaign activity' means a campaign activity the preponderant purpose or effect of which is to promote a political party rather than any particular Federal or non-Federal candidate."

SEC. 313. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.

(a) **STATE FUNDRAISING ACTIVITIES.**—Section 315 of FECA (2 U.S.C. 441a), as amended by section 301, is amended by adding at the end thereof the following new subsection:

"(I) **LIMITATIONS ON FUNDRAISING ACTIVITIES OF FEDERAL CANDIDATES AND OFFICEHOLDERS AND CERTAIN POLITICAL COMMITTEES.**—(1) For purposes of this Act, a candidate for Federal office (or an individual holding Federal office) may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

"(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

"(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under this Act, and are not from sources prohibited by this Act with respect to elections to Federal office.

"(2)(A) The aggregate amount which a person described in subparagraph (B) may solicit from a multicandidate political committee for State committees described in subsection (a)(1)(C) (including subordinate committees) for any calendar year shall not exceed the dollar amount in effect under subsection (a)(2)(B) for the calendar year.

"(B) A person is described in this subparagraph if such person is a candidate for Federal office, an individual holding Federal office, or

any national, State, district, or local committee of a political party (including subordinate committees).

"(3) The appearance or participation by a candidate or individual in any activity (including fundraising) conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if—

"(A) such appearance or participation is otherwise permitted by law; and

"(B) such candidate or individual does not solicit or receive, or make expenditures from, any funds resulting from such activity.

"(4) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law.

"(5) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual is described in section 101(f) of the Ethics in Government Act of 1978."

(b) **TAX-EXEMPT ORGANIZATIONS.**—Section 315 of FECA (2 U.S.C. 441a), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(m) **TAX-EXEMPT ORGANIZATIONS.**—(1) If during any period an individual is a candidate for, or holds, Federal office, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns.

"(2) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual is described in section 101(f) of the Ethics in Government Act of 1978."

SEC. 314. REPORTING REQUIREMENTS.

(a) **REPORTING REQUIREMENTS.**—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d) **POLITICAL COMMITTEES.**—(1) The national committee of a political party and any congressional campaign committee, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

"(2) A political committee (not described in paragraph (1)) to which section 324 applies shall report all receipts and disbursements in connection with a Federal election (as determined under section 324).

"(3) Any political committee to which section 324 applies shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 324(c) and the reason for the transfer.

"(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements which are used in connection with a Federal election.

"(5) If any receipt or disbursement to which this subsection applies exceeds \$200, the political committee shall include identification of the person from whom, or to whom, such receipt or disbursement was made.

"(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a)."

(b) **REPORT OF EXEMPT CONTRIBUTIONS.**—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended by inserting at the end thereof the following:

"(C) The exclusions provided in clauses (v) and (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions in excess of \$200 shall be reported."

(c) **REPORTING OF EXEMPT EXPENDITURES.**—Section 301(9) of the Federal Election Campaign

Act of 1971 (2 U.S.C. 431(9)) is amended by inserting at the end thereof the following:

"(C) The exclusions provided in clause (iv) of subparagraph (B) shall not apply for purposes of any requirement to report expenditures under this Act, and all such expenditures in excess of \$200 shall be reported."

(d) **CONTRIBUTIONS AND EXPENDITURES OF POLITICAL COMMITTEES.**—Section 301(4) of FECA (2 U.S.C. 431(4)) is amended by adding at the end the following: "For purposes of this paragraph, the receipt of contributions or the making of, or obligating to make, expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office or of any political party, in general public political advertising; and the proximity to any primary, runoff, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election."

(e) **REPORTS BY STATE COMMITTEES.**—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(e) **FILING OF STATE REPORTS.**—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information."

TITLE IV—CONTRIBUTIONS

SEC. 401. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For the purposes of this subsection:

"(A) Contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate, shall be treated as contributions from the person to the candidate.

"(B) Contributions made directly or indirectly by a person to or on behalf of a particular candidate through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to the candidate if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the intermediary or conduit rather than the intended recipient; or

"(ii) the intermediary or conduit is—

"(I) a political committee with a connected organization;

"(II) an officer, employee, or agent of such a political committee;

"(III) a political party;

"(IV) a partnership or sole proprietorship;

"(V) a person required to register under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"(VI) an organization prohibited from making contributions under section 316, or an officer, employee, or agent of such an organization acting on the organization's behalf.

"(C)(i) The term 'intermediary or conduit' does not include—

"(I) a candidate or representative of a candidate receiving contributions to the candidate's principal campaign committee or authorized committee;

"(II) a professional fundraiser compensated for fundraising services at the usual and customary rate;

"(III) a volunteer hosting a fundraising event at the volunteer's home, in accordance with section 301(8)(B); or

"(IV) an individual who transmits a contribution from the individual's spouse.

"(ii) The term 'representative' means an individual who is expressly authorized by the candidate to engage in fundraising, and who occupies a significant position within the candidate's campaign organization, provided that the individual is not described in subparagraph (B)(ii).

"(iii) The term 'contributions made or arranged to be made' includes—

"(I) contributions delivered to a particular candidate or the candidate's authorized committee or agent; and

"(II) contributions directly or indirectly arranged to be made to a particular candidate or the candidate's authorized committee or agent, in a manner that identifies directly or indirectly to the candidate or authorized committee or agent the person who arranged the making of the contributions or the person on whose behalf such person was acting.

"(iv) The term 'acting on the organization's behalf' includes the following activities by an officer, employee or agent of a person described in subparagraph (B)(ii)(IV):

"(I) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate in the name of, or by using the name of, such a person.

"(II) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate using other than incidental resources of such a person.

"(III) Soliciting contributions for a particular candidate by substantially directing the solicitations to other officers, employees, or agents of such a person.

"(D) Nothing in this paragraph shall prohibit—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, in accordance with rules prescribed by the Commission, by—

"(1) 2 or more candidates;

"(II) 2 or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf; or

"(III) a special committee formed by 2 or more candidates, or a candidate and a national, State, or local committee of a political party acting on their own behalf; or

"(ii) fundraising efforts for the benefit of a candidate that are conducted by another candidate.

"(iii) bona fide fundraising efforts conducted by and solely on behalf of an individual for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, but only if all contributions are made directly to a candidate or a representative of a candidate.

When a contribution is made to a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the Commission and to the intended recipient."

SEC. 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 313(b), is amended by adding at the end the following new subsection:

"(n) For purposes of this section, any contribution by an individual who—

"(1) is a dependent of another individual; and

"(2) has not, as of the time of such contribution, attained the legal age for voting for elec-

tions to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them."

SEC. 403. CONTRIBUTIONS TO CANDIDATES FROM STATE AND LOCAL COMMITTEES OF POLITICAL PARTIES TO BE AGGREGATED.

Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) A candidate for Federal office may not accept, with respect to an election, any contribution from a State or local committee of a political party (including any subordinate committee of such committee), if such contribution, when added to the total of contributions previously accepted from all such committees of that political party, exceeds a limitation on contributions to a candidate under this section."

SEC. 404. LIMITED EXCLUSION OF ADVANCES BY CAMPAIGN WORKERS FROM THE DEFINITION OF THE TERM "CONTRIBUTION."

Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended—

(1) in clause (iii), by striking "and" after the semicolon at the end;

(2) in clause (xiv), by striking the period at the end and inserting: "; and"; and

(3) by adding at the end the following new clause:

"(xv) any advance voluntarily made on behalf of an authorized committee of a candidate by an individual in the normal course of such individual's responsibilities as a volunteer for, or employee of, the committee, if the advance is reimbursed by the committee within 10 days after the date on which the advance is made, and the value of advances on behalf of a committee does not exceed \$500 with respect to an election."

TITLE V—REPORTING REQUIREMENTS

SEC. 501. CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.

Paragraphs (2) through (7) of section 304(b) of FECA (2 U.S.C. 434(b)(2)–(7)) are amended by inserting after "calendar year" each place it appears the following: "election cycle, in the case of an authorized committee of a candidate for Federal office".

SEC. 502. PERSONAL AND CONSULTING SERVICES.

Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons (not including employees) who provide goods or services to the candidate or his or her authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

SEC. 503. REDUCTION IN THRESHOLD FOR REPORTING OF CERTAIN INFORMATION BY PERSONS OTHER THAN POLITICAL COMMITTEES.

Section 304(b)(3)(A) of FECA (2 U.S.C. 434(b)(3)(A)) is amended by striking "\$200" and inserting "\$50".

SEC. 504. COMPUTERIZED INDICES OF CONTRIBUTIONS.

Section 311(a) of FECA (2 U.S.C. 438(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(11) maintain computerized indices of contributions of \$50 or more."

TITLE VI—FEDERAL ELECTION COMMISSION

SEC. 601. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of FECA (2 U.S.C. 432(e)(4)) is amended to read as follows:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not include the name of any candidate in its name or use the name of any candidate in any activity on behalf of such committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate."

SEC. 602. REPORTING REQUIREMENTS.

(a) OPTION TO FILE MONTHLY REPORTS.—Section 304(a)(2) of FECA (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A) by striking "and" at the end;

(2) in subparagraph (B) by striking the period at the end and inserting "; and"; and

(3) by inserting the following new subparagraph at the end:

"(C) In lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-primary election report and a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year."

(b) FILING DATE.—Section 304(a)(4)(B) of FECA (2 U.S.C. 434(a)(4)(B)) is amended by striking "20th" and inserting "15th".

SEC. 603. PROVISIONS RELATING TO THE GENERAL COUNSEL OF THE COMMISSION.

(a) VACANCY IN THE OFFICE OF GENERAL COUNSEL.—Section 306(f) of FECA (2 U.S.C. 437c(f)) is amended by adding at the end the following new paragraph:

"(5) In the event of a vacancy in the office of general counsel, the next highest ranking enforcement official in the general counsel's office shall serve as acting general counsel with full powers of the general counsel until a successor is appointed."

(b) PAY OF THE GENERAL COUNSEL.—Section 306(f)(1) of FECA (2 U.S.C. 437c(f)(1)) is amended—

(1) by inserting "and the general counsel" after "staff director" in the second sentence; and

(2) by striking the third sentence.

SEC. 604. ENFORCEMENT.

(a) BASIS FOR ENFORCEMENT PROCEEDING.—Section 309(a)(2) of FECA (2 U.S.C. 437g(a)(2)) is amended by striking "it has reason to believe that a person has committed, or is about to commit" and inserting "facts have been alleged or ascertained that, if true, give reason to believe that a person may have committed, or may be about to commit".

(b) AUTHORITY TO SEEK INJUNCTION.—(1) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended by adding at the end the following new paragraph:

"(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

"(i) there is a substantial likelihood that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 is occurring or is about to occur;

"(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

"(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

"(iv) the public interest would be best served by the issuance of an injunction.

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

"(B) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found."

(2) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(A) in paragraph (7) by striking "(5) or (6)" and inserting "(5), (6), or (13)"; and

(B) in paragraph (11) by striking "(6)" and inserting "(6) or (13)".

SEC. 605. PENALTIES.

(a) **PENALTIES PRESCRIBED IN CONCILIATION AGREEMENTS.**—(1) Section 309(a)(5)(A) of FECA (2 U.S.C. 437g(a)(5)(A)) is amended by striking "which does not exceed the greater of \$5,000 or an amount equal to any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than 50 percent of all contributions and expenditures involved in the violation (or such lesser amount as the Commission provides if necessary to ensure that the penalty is not unjustly disproportionate to the violation); and

"(ii) not greater than all contributions and expenditures involved in the violation".

(2) Section 309(a)(5)(B) of FECA (2 U.S.C. 437g(a)(5)(B)) is amended by striking "which does not exceed the greater of \$10,000 or an amount equal to 200 percent of any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 150 percent of all contributions and expenditures involved in the violation".

(b) **PENALTIES WHEN VIOLATIONS ARE ADJUDICATED IN COURT.**—(1) Section 309(a)(6)(A) of FECA (2 U.S.C. 437g(a)(6)(A)) is amended by striking all that follows "appropriate order" and inserting ", including an order for a civil penalty in the amount determined under subparagraph (A) or (B) in the district court of the United States for the district in which the defendant resides, transacts business, or may be found."

(2) Section 309(a)(6)(B) of FECA (2 U.S.C. 437g(a)(6)(B)) is amended by striking all that follows "other order" and inserting ", including an order for a civil penalty which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 200 percent of all contributions and expenditures involved in the violation.

upon a proper showing that the person involved has committed, or is about to commit (if the relief sought is a permanent or temporary injunction or a restraining order), a violation of this Act or chapter 95 of chapter 96 of the Internal Revenue Code of 1986."

(3) Section 309(a)(6)(C) of FECA (29 U.S.C. 437g(6)(C)) is amended by striking "a civil penalty" and all that follows and inserting "a civil penalty which is—

"(i) not less than 200 percent of all contributions and expenditures involved in the violation; and

"(ii) not greater than 250 percent of all contributions and expenditures involved in the violation."

SEC. 606. RANDOM AUDITS.

Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1)" before "The Commission"; and

(2) by adding at the end the following new paragraph:

"(2) Notwithstanding paragraph (1), the Commission may from time to time conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process. This paragraph does not apply to an authorized committee of an eligible Senate candidate subject to audit under section 505(a) or an authorized committee of an eligible House of Representatives candidate subject to audit under section 605(a)."

SEC. 607. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of FECA (2 U.S.C. 441h) is amended—

(1) by inserting after "SEC. 322." the following: "(a)"; and

(2) by adding at the end the following:

"(b) No person shall solicit contributions by falsely representing himself as a candidate or as a representative of a candidate, a political committee, or a political party."

SEC. 608. REGULATIONS RELATING TO USE OF NON-FEDERAL MONEY.

Section 306 of FECA (2 U.S.C. 437c) is amended by adding at the end the following new subsection:

"(g) The Commission shall promulgate rules to prohibit devices or arrangements which have the purpose or effect of undermining or evading the provisions of this Act restricting the use of non-Federal money to affect Federal elections."

TITLE VII—BALLOT INITIATIVE COMMITTEES

SEC. 701. DEFINITIONS RELATING TO BALLOT INITIATIVES.

Section 301 of FECA (2 U.S.C. 431), as amended by section 312(d), is amended by adding at the end the following new paragraphs:

"(32) The term 'ballot initiative political committee' means any committee, club, association, or other group of persons which makes ballot initiative expenditures or receives ballot initiative contributions in excess of \$1,000 during a calendar year.

"(33) The term 'ballot initiative contribution' means any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing the outcome of any referendum or other ballot initiative voted on at the State, commonwealth, territory, or District of Columbia level which involves—

"(A) interstate commerce;

"(B) the election of candidates for Federal office and the permissible terms of those so elected;

"(C) Federal taxation of individuals, corporations, or other entities; or

"(D) the regulation of speech or press, or any other right guaranteed under the United States Constitution.

"(34) The term 'ballot initiative expenditure' means any purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made by any person for the purpose of influencing the outcome of any referendum or other ballot initiative voted on at the state, commonwealth, territory, or District of Columbia level which involves—

"(A) interstate commerce;

"(B) the election of candidates for Federal office and the permissible terms of those so elected;

"(C) Federal taxation of individuals, corporations, or other entities; or

"(D) the regulation of speech or press, or any other right guaranteed under the United States Constitution."

SEC. 702. AMENDMENT TO DEFINITION OF CONTRIBUTION.

Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)), as amended by section 404, is amended—

(1) in clause (xiv), by striking "and" after the semicolon;

(2) in clause (xv), by striking the period and inserting "; and"; and

(3) by adding at the end the following new clause:

"(xvi) a ballot initiative contribution."

SEC. 703. AMENDMENT TO DEFINITION OF EXPENDITURE.

Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended—

(1) in clause (ix)(3), by striking "and" after the semicolon;

(2) in clause (x), by striking the period and inserting "; and"; and

(3) by adding at the end the following new clause:

"(xi) a ballot initiative expenditure."

SEC. 704. ORGANIZATION OF BALLOT INITIATIVE COMMITTEES.

Title III of FECA (2 U.S.C. 431 et seq.) is amended by inserting after section 302 (2 U.S.C. 432) the following new section:

"ORGANIZATION OF BALLOT INITIATIVE COMMITTEES"

"SEC. 302A. (a) Every ballot initiative political committee shall have a treasurer. No ballot initiative contribution shall be accepted or ballot initiative expenditure shall be made by or on behalf of a ballot initiative political committee during any period in which the office of treasurer is vacant.

"(b)(1) Every person who receives a ballot initiative contribution for a ballot initiative political committee shall—

"(A) if the amount is \$50 or less, forward to the treasurer such contribution no later than 30 days after receiving the contribution; and

"(B) if the amount of the ballot initiative contribution is in excess of \$50, forward to the treasurer such contribution, the name, address, and occupation of the person making such contribution, and the date of receiving such contribution, no later than 10 days after receiving such contribution.

"(2) All funds of a ballot initiative political committee shall be segregated from, and may not be commingled with, the personal funds of any individual.

"(3) The treasurer of a ballot initiative political committee shall keep an account for—

"(A) all ballot initiative contributions received by or on behalf of such ballot initiative political committee;

"(B) the name and address of any person who makes a ballot initiative contribution in excess of \$50, together with the date and amount of such ballot initiative contribution by any person;

"(C) the identification of any person who makes a ballot initiative contribution or ballot initiative contributions aggregating more than \$200 during a calendar year, together with the date and amount of any such contribution;

"(D) the identification of any political committee or ballot initiative political committee which makes a ballot initiative contribution, together with the date and amount of any such contribution; and

"(E) the name and address of every person to whom any ballot initiative expenditure is made, the date, amount and purpose of such ballot initiative expenditure, and the name of the ballot

initiative(s) to which the ballot initiative expenditure pertained.

"(c) The treasurer shall preserve all records required to be kept by this section 3 years after the report is filed."

SEC. 705. BALLOT INITIATIVE COMMITTEE REPORTING REQUIREMENTS.

Title III of FECA (2 U.S.C. 431 et seq.), as amended by section 103, is amended by inserting after section 30A (2 U.S.C. 434) the following new section:

"BALLOT INITIATIVE COMMITTEE REPORTING REQUIREMENTS"

"SEC. 304B. (a)(1) Each treasurer of a ballot initiative political committee shall file reports of receipts and disbursements in accordance with the provisions of this subsection. The treasurer shall sign each such report.

"(2) All ballot initiative political committees shall file either—

"(A)(i) quarterly reports in each calendar year when a ballot initiative is slated regarding which the ballot initiative committee plans to make or makes a ballot initiative expenditure or plans to receive or receives a ballot initiative contribution, which shall be filed no later than the 15th day after the last day of each calendar quarter: except that the report for the quarter ending on December 31 of such calendar year shall be filed no later than January 31 of the following calendar year; and

"(ii) preballot initiative reports, which shall be filed 5 days before the occurrence of each ballot initiative in which the ballot initiative committee plans to make or has made a ballot initiative expenditure or plans to receive or has received a ballot initiative contribution; or

"(B) monthly reports in all calendar years which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month.

"(3) If a designation, report, or statement filed pursuant to this section (other than under paragraph (2)(A)(ii)) is sent by registered or certified mail, the United States postmark shall be considered the date of filing of the designation, report, or statement.

"(4) The reports required to be filed by this section shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during each year, only the amount need be carried forward.

"(b) Each report under this section shall disclose—

"(1) the amount of cash on hand at the beginning of the reporting period;

"(2) for the reporting period and the calendar year, the total amount of all receipts, and the total amount of all receipts in the following categories:

"(A) ballot initiative contributions from persons other than political committees;

"(B) ballot initiative contributions from political party committees;

"(C) ballot initiative contributions from other political committees and ballot initiative political committees;

"(D) transfers from affiliated political committees;

"(E) loans;

"(F) rebates, refunds, and other offsets to operating expenditures; and

"(G) dividends, interest, and other forms of receipts;

"(3) the identification of each—

"(A) person (other than a political committee or ballot initiative political committee) who makes a ballot initiative contribution to the reporting committee during the reporting period, whose ballot initiative contribution or ballot initiative contributions have an aggregate amount or value in excess of \$50 within the calendar year, or in any lesser amount if the reporting

committee should so elect, together with the date and amount of any such contribution and the address and occupation (if an individual) of the person;

"(B) political committee or ballot initiative political committee which makes a ballot initiative contribution to the reporting committee during the reporting period, together with the date and amount of any such contribution;

"(C) affiliated political committee or affiliated ballot initiative political committee which makes a transfer to the reporting committee during the reporting period;

"(D) person who makes a loan to the reporting committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and the date and amount or value of such loan and the address and occupation (if an individual) of the person;

"(E) person who provides a rebate, refund, or other offset to operating expenditures to the reporting committee in an aggregate amount or value in excess of \$200 within the calendar year, together with the date and amount of such receipt and the address and occupation (if an individual) of the person; and

"(F) person who provides any dividend, interest, or other receipt to the reporting committee in an aggregate value or amount in excess of \$200 within the calendar year, together with the date and amount of any such receipt and the address and occupation (if an individual) of the person;

"(4) for the reporting period and the calendar year, the total amount of disbursements, and all disbursements in the following categories:

"(A) ballot initiative expenditures;

"(B) transfers to affiliated political committees or ballot initiative political committees;

"(C) ballot initiative contribution refunds and other offsets to ballot initiative contributions;

"(D) loans made by the reporting committee and the name of the person receiving the loan together with the date of the loan and the address and occupation (if an individual) of the person; and

"(E) independent expenditures; and

"(5) the total sum of all ballot initiative contributions to such ballot initiative political committee."

SEC. 706. ENFORCEMENT AMENDMENT.

Section 309 of FECA (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

"(e) The civil penalties of this Act shall apply to the organization, recordkeeping, and reporting requirements of a ballot initiative political committee under section 302A or 304B, insofar as such committee conducts activities solely for the purpose of influencing a ballot initiative and not for the purpose of influencing any election for Federal office."

SEC. 707. PROHIBITION OF CONTRIBUTIONS IN THE NAME OF ANOTHER.

Section 320 of FECA (2 U.S.C. 441f) is amended to read as follows:

"PROHIBITION OF CONTRIBUTIONS IN THE NAME OF ANOTHER"

"SEC. 320. No person shall make a contribution or ballot initiative contribution in the name of another person or knowingly permit his name to be used to effect such a contribution or ballot initiative contribution, and no person shall knowingly accept a contribution or ballot initiative contribution made by one person in the name of another person."

SEC. 708. LIMITATION ON CONTRIBUTION OF CURRENCY.

Section 321 of FECA (2 U.S.C. 441g) is amended to read as follows:

"LIMITATION ON CONTRIBUTION OF CURRENCY"

"SEC. 321. No person shall make contributions or ballot initiative contributions of currency of

the United States or currency of any foreign country which in the aggregate, exceed \$100, to or for the benefit of—

"(1) any candidate for nomination for election, or for election, to Federal office;

"(2) any political committee (other than a ballot initiative political committee) for the purpose of influencing an election for Federal office; or

"(3) any ballot initiative political committee for the purpose of influencing a ballot initiative."

TITLE VIII—MISCELLANEOUS

SEC. 801. PROHIBITION OF LEADERSHIP COMMITTEES.

Section 302(e) of FECA (2 U.S.C. 432(e)) is amended—

(1) by amending paragraph (3) to read as follows:

"(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

"(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

"(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee;" and

(2) by adding at the end the following new paragraph:

"(6)(A) A candidate for Federal office or any individual holding Federal office may not establish, maintain, or control any political committee other than a principal campaign committee of the candidate, authorized committee, party committee, or other political committee designated in accordance with paragraph (3). A candidate for more than one Federal office may designate a separate principal campaign committee for each Federal office.

"(B) For one year after the effective date of this paragraph, any such political committee may continue to make contributions. At the end of that period such political committee shall disburse all funds by one or more of the following means: making contributions to an entity qualified under section 501(c)(3) of the Internal Revenue Code of 1986; making a contribution to the treasury of the United States; contributing to the national, State or local committees of a political party; or making contributions not to exceed \$1,000 to candidates for elective office."

SEC. 802. POLLING DATA CONTRIBUTED TO CANDIDATES.

Section 301(b) of FECA (2 U.S.C. 431(b)), as amended by section 314(b), is amended by inserting at the end the following new subparagraph:

"(D) A contribution of polling data to a candidate shall be valued at the fair market value of the data on the date the poll was completed, depreciated at a rate not more than 1 percent per day from such date to the date on which the contribution was made."

SEC. 803. DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 315(b) of FECA (2 U.S.C. 441a(b)) is amended by adding at the end the following new paragraph:

"(3)(A) The candidates of a political party for the offices of President and Vice President who are eligible under section 9003 of the Internal Revenue Code of 1986 to receive payments from the Secretary of the Treasury shall not receive such payments unless both of such candidates agree in writing—

"(i) that the candidate for the office of President will participate in at least 4 debates, spon-

sored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section; and

"(ii) that the candidate of the party for the office of Vice President will participate in at least 1 debate, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section.

"(B) If the Commission determines that either of the candidates of a political party failed to participate in a debate under subparagraph (A) and was responsible at least in part for such failure, the candidate of the party involved shall—

"(i) be ineligible to receive payments under section 9006 of the Internal Revenue Code of 1986; and

"(ii) pay to the Secretary of the Treasury an amount equal to the amount of the payments made to the candidate under that section."

SEC. 804. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

Section 319 of FECA (2 U.S.C. 441e) is amended by adding at the end the following new subsections:

"(c) A foreign national shall not directly or indirectly direct, control, influence or participate in any person's election-related activities, such as the making of contributions or expenditures in connection with elections for any local, State, or Federal office or the administration of a political committee.

"(d) A nonconnected political committee or the separate segregated fund established in accordance with section 316(b)(2)(C) or any other organization or committee involved in the making of contributions or expenditures in connection with elections for any Federal, State, or local office shall include the following statement on all printed materials produced for the purpose of soliciting contributions:

"It is unlawful for a foreign national to make any contribution of money or other thing of value to a political committee."

SEC. 805. AMENDMENT TO FECA SECTION 316.

Section 316(b) of FECA (2 U.S.C. 441b(b)) is amended—

(1) by inserting "(A)" at the beginning of paragraph (2) and redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(2) at the beginning of the first sentence in subparagraph (A), by inserting the following: "Except as provided in subparagraph (B);" and

(3) by adding at the end of paragraph (2) the following:

"(B) Expenditures by a corporation or labor organization for candidate appearances, candidate debates and voter guides directed to the general public shall be considered contributions unless—

"(i) in the case of a candidate appearance, the appearance takes place on corporate or labor organization premises or at a meeting or convention of the corporation or labor organization, and all candidates for election to that office are notified that they may make an appearance under the same or similar conditions;

"(ii) in the case of a candidate debate, the organization staging the debate is either an organization described in section 301 whose broadcasts or publications are supported by commercial advertising, subscriptions or sales to the public, including a noncommercial educational broadcaster, or a nonprofit organization exempt from Federal taxation under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 that does not endorse, support, or oppose candidates or political parties; and

"(iii) in the case of a voter guide, the guide is prepared and distributed by a corporation or labor organization and consists of questions

posed to at least two candidates for election to that office,

except that no communication made by a corporation or labor organization in connection with the candidate appearance, candidate debate or voter guide contains express advocacy, or that no candidate is favored through the structure or format of the candidate appearance, candidate debate or voter guide."

SEC. 806. TELEPHONE VOTING BY PERSONS WITH DISABILITIES.

(a) STUDY OF SYSTEMS TO PERMIT PERSONS WITH DISABILITIES TO VOTE BY TELEPHONE.—

(1) IN GENERAL.—The Federal Election Commission shall conduct a study to determine the feasibility of developing a system or systems by which persons with disabilities may be permitted to vote by telephone.

(2) CONSULTATION.—The Federal Election Commission shall conduct the study described in paragraph (1) in consultation with State and local election officials, representatives of the telecommunications industry, representatives of persons with disabilities, and other concerned members of the public.

(3) CRITERIA.—The system or systems developed pursuant to paragraph (1) shall—

(A) propose a description of the kinds of disabilities that impose such difficulty in travel to polling places that a person with a disability who may desire to vote is discouraged from undertaking such travel;

(B) propose procedures to identify persons who are so disabled; and

(C) describe procedures and equipment that may be used to ensure that—

(i) only those persons who are entitled to use the system are permitted to use it;

(ii) the votes of persons who use the system are recorded accurately and remain secret;

(iii) the system minimizes the possibility of vote fraud; and

(iv) the system minimizes the financial costs that State and local governments would incur in establishing and operating the system.

(4) REQUESTS FOR PROPOSALS.—In developing a system described in paragraph (1), the Federal Election Commission may request proposals from private contractors for the design of procedures and equipment to be used in the system.

(5) PHYSICAL ACCESS.—Nothing in this section is intended to supersede or supplant efforts by State and local governments to make polling places physically accessible to persons with disabilities.

(6) DEADLINE.—The Federal Election Commission shall submit to Congress the study required by this section not later than 1 year after the date of enactment of this Act.

SEC. 807. PROHIBITION OF USE OF GOVERNMENT AIRCRAFT IN CONNECTION WITH ELECTIONS FOR FEDERAL OFFICE.

Title III of FECA (2 U.S.C. 431 et seq.), as amended by section 312(c) is amended by adding at the end the following new section:

"PROHIBITION OF USE OF GOVERNMENT AIRCRAFT IN CONNECTION WITH ELECTIONS FOR FEDERAL OFFICE

"SEC. 325. (a) No aircraft that is owned or operated by the Government (including any aircraft that is owned or operated by the Department of Defense) may be used in connection with an election for Federal office.

"(b)(1) Subsection (a) shall not apply to travel provided to the President or Vice President.

"(2) The portion of the cost of any travel provided to the President or Vice President that is allocable to activities in connection with an election for Federal office shall be paid by the authorized committee of the President. Such portion shall be paid within 10 days of the travel. For purposes of this section, travel which is in any part related to campaign activity, shall be treated as in connection with an election for

Federal office, and the payment for such travel shall be sufficient to reflect that portion which is campaign-related.

"(3) The actual costs and payment for costs of any travel provided to the President and Vice President shall be disclosed in accordance with section 304."

SEC. 808. SENSE OF THE CONGRESS.

The Congress should consider legislation that would provide for an amendment to the Constitution to set reasonable limits on campaign expenditures in Federal elections.

TITLE IX—EFFECTIVE DATES; AUTHORIZATIONS

SEC. 901. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act but shall not apply with respect to activities in connection with any election occurring before January 1, 1993.

SEC. 902. BUDGET NEUTRALITY.

(a) DELAYED EFFECTIVENESS.—The provisions of this Act (other than this section) shall not be effective until the estimated costs under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 have been offset by the enactment of subsequent legislation effectuating this Act.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that subsequent legislation effectuating this Act shall not provide for general revenue increases, reduce expenditures for any existing Federal program, or increase the Federal budget deficit.

SEC. 903. SEVERABILITY.

Except as provided in sections 101(c) and 121(b), if any provision of this Act (including any amendment made by this Act), or the application of any such provision to any person or circumstance, is held invalid, the validity of any other provision of this Act, or the application of such provision to other persons and circumstances, shall not be affected thereby.

SEC. 904. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the bill, insert the following: "An Act to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and benefits for congressional election campaigns, and for other purposes."

And the House agree to the same.

CHARLIE ROSE,
SAM GEJDENSON,
RICHARD GEPHARDT,
AL SWIFT,
LEON E. PANETTA,
MIKE SYNAR,
GERALD D. KLECZKA,

For consideration of sections 103 and 202 of the Senate bill, section 802 of the House amendment, and modifications committed to conference:

EDWARD J. MARKEY,
For consideration of sections 104, 404, 409,
and 411 of the Senate bill, section 103 of the
House amendment, and modifications com-
mitted to conference:

W.L. CLAY,
FRANK MCCLOSKEY,
Managers on the Part of the House.

WENDELL H. FORD,
DAVID L. BOREN,
GEORGE MITCHELL,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S.3, the "Senate Election Ethics Act of 1991") to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, submit the following joint statement to the House and to the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendments (H.R. 3750, the "U.S. House of Representatives Campaign Spending Limit and Election Reform Act of 1991") struck out all of the Senate bill after the enacting clause and inserted a substitute text, and the Senate disagreed to the House amendments.

The Committee of Conference recommends that the Senate recede from its disagreement to the amendment of the House to the text of the bill, with an amendment which is a substitute for both the text of the Senate bill and the House amendment to the text of the Senate bill.

The differences between the text of the Senate bill, the House amendment thereto, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The Senate bill (S.3), the House Amendment (H.R. 3750), and the conference agreement provide that this legislation may be cited as the "Congressional Campaign Spending Limit and Election Reform Act of 1992".

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

SECTION 101. SENATE SPENDING LIMITS AND PUBLIC BENEFITS

Senate bill

The Senate bill amended the Federal Election Campaign Act of 1971 (hereinafter in this statement referred to as the "Act") to provide for a voluntary system of spending limits and benefits. The formula adopted is a base amount of \$400,000; plus 30 cents times the voting age population of the State up to a voting age population of 4 million, plus 25 cents times the voting age population in excess of 4 million, but not less than \$950,000, or more than \$5.5 million. Higher spending limits are permitted in a State with no more than one VHF television station licensed to operate in that State. The formula for the spending limit in such a State is set at \$400,000; plus 80 cents times the voting age population up to 4 million, and 70 cents times the voting age population over that

figure, but not less than \$950,000 or more than \$5.5 million.

As a condition to participate in the system, Senate candidates must agree to abide by the expenditure limits in primary and runoff elections.

Because the activities previously associated with Senate campaigns would probably not be curtailed, but merely shifted to the primary election period, it is necessary to extend spending limits to the primary period. Thus, the Senate bill provides for a primary election limit of 67 percent of the general election spending limit (up to a maximum of \$2.75 million) and a runoff limit of 20 percent of the general election spending limit. By defining the primary election period to begin the day after the last general election for the seat in question, the bill effectively limits Senate campaign spending throughout a six year Senate election cycle.

The Senate bill provides for a compliance fund equal to the lesser of 15 percent or \$300,000 of the candidate's general election limit in order to deal with the likelihood of additional legal and accounting services under this system. All funds which are deposited into this account are subject to the limitations and prohibitions of the FECA. This provision permits expenditures for such purpose both during and after a general election without such expenditures counting against either such general election spending limit or the next primary election spending limit. The use of the fund is solely for the purpose of paying for legal and accounting services incurred in relation to compliance with the Act and the preparation of compliance documents, or expenditures for the extraordinary costs of legal and accounting services incurred in connection with the candidate's activities as a federal office-holder.

The compliance fund is not intended as a reserve or revolving fund; therefore, once funds have been transferred into the account, they may not be transferred back to the campaign fund or used for any purpose other than compliance. A candidate will be permitted to petition the Commission for permission to raise and spend an amount in excess of that fund. Before authorizing any additional funds for compliance, the Commission should first be satisfied that the candidate did not use any portion of the compliance fund for any purpose other than compliance.

The Senate bill limits a participating candidate's personal spending to \$25,000. Members of a candidate's immediate family would be subject to existing contribution limitations, as this provision would not impose any additional or new limits on such family members. This limit would apply to what a candidate may spend or loan to the campaign from personal funds, including funds of the candidate's immediate family, in the election cycle.

Eligibility for all candidates, whether a major party nominee, a minor party nominee, or an independent candidate, is based on the candidate raising a qualifying threshold of private contributions equal to 10 percent of the general election spending limit for the State. All of such funds must be contributed directly to the candidate by individuals (not through any intermediary) in amounts aggregating up to \$250 and must be received after January 1 of the year preceding the election. To further assure that such candidates have a base of support from within their State, at least 50 percent of the threshold amount must be raised from contributors from within the candidate's State.

To be eligible to receive benefits, a candidate must be opposed in the general elec-

tion and must certify that he or she has raised the qualifying threshold, and has not exceeded the primary and, where applicable, the runoff spending limits. Also, the candidate must agree to certain administrative requirements, not to exceed the general election spending limits, and not to accept contributions in violation of the Act.

Like the Presidential financing system, the Federal Election Commission would certify the eligibility of a candidate based on the candidate's submissions to that agency and would be charged with the general administration of the system. Unlike the Presidential system that requires that all candidates be audited, the Commission would be required to audit only 10 percent of the eligible Senate candidates on a random basis and, in addition, any other candidate for cause.

Eligible candidates are entitled to five benefits: communication vouchers, lower broadcast media rates, reduced postal rates; independent expenditure payments; and contingent financing. These are intended to serve both as incentives to participation by candidates and as cost reduction devices for ever more expensive campaigns.

House amendment

No similar provision.

Conference substitute

The conference agreement adopts the Senate bill with respect to the Senate, with the following modifications:

1. The conference agreement limits the provision of the Senate bill which permitted the compliance fund to make expenditures for the extraordinary costs of legal or accounting services incurred in connection with the candidate's activities as a Federal officeholder.

2. The conference agreement deletes the provision of the Senate bill which would have permitted an increase of 25 percent of the spending limits for candidates based on small contributions of up to \$100 received from individuals who reside within the State of a Senate candidate. In an effort to establish some uniform rules with the House bill (which had no similar provision), the conferees agreed to eliminate this provision.

3. The conference agreement modifies the use of personal funds to an amount equal to the lesser of ten percent of the expenditure limit, or \$250,000. This conforms to the House provision which limits the use of personal funds of an eligible House candidate to ten percent of the expenditure limit.

4. The conference agreement clarifies the audit authority of the Commission to provide that when an eligible candidate is selected for an audit, his or her opponent in the same election shall also be audited.

5. The conference agreement deletes the provision which would require that broadcast time purchased with vouchers must be for broadcasts of one to five minutes in length.

6. The conference agreement revises the reduced postage rates section of both the House and Senate bills to provide one standard for all eligible candidates. The Senate bill permitted eligible candidates to make first-class mailings at one-fourth the rate in effect and third-class mailings at two cents less than the reduced rate for first class mail. The total spending on postage at these reduced rates could not exceed five percent of the general election expenditure limit. The conference agreement now provides that eligible candidates can mail up to one piece of mail per voting age population of the State (in the case of an eligible Senate candidate) or congressional district (in the case

of an eligible House candidate) at the lowest third-class non-profit rate.

7. The conference agreement modifies the Senate's contingent benefits to provide that an eligible Senate candidate would receive a grant equal to one-third the expenditure limit once a non-complying opponent exceeds the limit. When a non-complying opponent exceeds the limit by one-third, an eligible candidate would be entitled to another grant equal to one-third of the expenditure limit. Once a non-complying candidate exceeds the limit by two-thirds, an eligible candidate would receive a third and final grant equal to one-third the expenditure limit. In addition, an eligible candidate whose opponent did not participate could raise contributions equal to twice the expenditure limit, but such funds could not be spent until the opponent exceeds the limits by 100 percent. Thus, the conference agreement would cap all spending at 300 percent of the general election limit; where the Senate bill had removed all limits.

These changes were made to conform the Senate bill with the intent of the conferees to provide an alternative election finance system for candidates who choose to run for Senate election without spending limits. Contingent benefits are provided to eligible Senate candidates to reduce the rigors of fundraising, and not to create an advantage over opposing candidates choosing to stay outside the system. Because campaign funds can be spent quite rapidly, it is necessary to make resources quickly available to an eligible candidate. Otherwise, prudent candidates would be reluctant to voluntarily participate in the alternative spending limit system.

The conference agreement reduces the amount of the initial grant in half to more closely conform the size of the grant to the amount by which the spending limit is exceeded. While the grants are still provided in one-third increments, the conferees believe this is a proper balance between the objective of maintaining a competitive election and the desire to avoid the administrative burdens attendant to smaller, more frequent grants.

The conference agreement provides grants up to 100 percent of the general election limit at which point the eligible candidate may spend campaign contributions up to 100 percent of the general election limit. The conference agreement imposes a limit on total contributions and expenditures by the eligible candidate in order to preserve the overall objective to establish an alternative campaign finance system in order to reduce the deleterious influence of large contributions on the election process and the rigors of fundraising for eligible Senate candidates.

8. The conference agreement requires the closed captioning of television and cablecasts of eligible Senate candidate campaign advertisements. This adopts a similar provision contained in the House amendment. With this modification to the Senate bill, a uniform standard is adopted for both chambers.

9. The conference agreement eliminates all provisions referring to the Secretary of the Treasury and the Senate Election Campaign Fund. The conferees recognize that as a Senate bill, any bill relating to the public financing of congressional campaigns must originate in the House. Thus, the conference agreement provides that no section of the bill will be effective until a subsequent legislative vehicle provides for a funding mechanism for the benefits of the bill.

10. The conference agreement modifies the civil penalties provisions of the bill with re-

gard to expenditures in excess of the limitations. The revised civil penalties are based on a low, medium and high scale of up to 2.5 percent, 2.5 percent but less than 5 percent, and 5 percent or greater, respectively. Civil penalty amounts are likewise based on this scale. This provision will apply in like manner to the House.

11. The conference agreement eliminates the criminal penalties provisions, at the request of the House, which had no similar provision. In its place, the agreement establishes joint and several civil liability for the candidate and the candidate's authorized committees. This liability provision applies to both participating Senate and House candidates.

SECTION 102. RESTRICTIONS ON ACTIVITIES OF POLITICAL ACTION AND CANDIDATE COMMITTEES IN FEDERAL ELECTIONS

Senate bill

The Senate bill bans activities of political action committees by prohibiting such committees from making contributions or expenditures to influence a federal election. In the event this ban on PAC activities is ruled unconstitutional, the Senate bill includes a fall-back provision reducing PAC contribution limits from \$5,000 to \$1,000 and imposing an aggregate limit on the amount of the total amount of PAC contributions a Senate candidate may receive. The limit would be 20 percent of the election cycle limit, but not less than \$375,000 in the smallest states, nor more than \$825,000 in the largest states.

House amendment

The House bill limits political action committee contributions that may be received by House campaigns to \$200,000 per election. For those who agree to voluntarily agree to spending limits, this amount is equal to one-third of the overall spending limit.

Conference substitute

The conference agreement follows the House and Senate bills. The House provisions limiting political action committee contributions to one-third of the election spending limit are preserved unchanged. The provisions of the Senate bill establishing rules for political action committee in the event a PAC ban is found unconstitutional are adopted except that the per election limit on PAC contributions to Senate candidates is established at \$2,500.

The conferees recognize the role of political action committees as a legitimate exercise of collective participation of individuals of like minds in the electoral process. The conferees recognize that citizens may pool their resources to participate in the electoral process. To the extent this participation is balanced with disinterested sources of campaign funds, the conferees support the role of political action committees in the electoral process.

Nevertheless, the conferees agree that Congress must confront the legitimate public concern that political action committees can have a negative, even corrupting, impact on the election campaign process when they become too large a source of any candidate's campaign funds. Moreover, when these sources of campaign funds flow overwhelmingly to incumbents, the public perception is that Congress is too beholden to special interests.

The conferees recognize that simply having limits on the amount of money that individual PACs can give to a candidate does not of itself control the flow of special interest funds to campaigns. Individuals PAC contribution limits alone result in a number of PACs with the same interest playing too

large a role in funding a congressional campaign. Therefore, the conferees believe that in addition to individual PAC contribution limits there should be aggregate limits on PAC receipts by a candidate's campaign committee. These aggregate limits will have the effect of minimizing the candidate's reliance on special interest funds and reducing the potential for undue influence and corruption. The conferees believe that figures chosen for aggregate PAC limits in the House and Senate represent a reasonable effort to curtail aggregate influence of PAC contributions.

The conferees seek to strike a balance to reduce the influence of special interests in the election process while maintaining the legitimate exercise of collective action through political action committees. The conferees believe this goal is met by imposing aggregate limits on PAC receipts as well as ceilings on individual PAC contributions.

SECTION 103. REPORTING REQUIREMENTS

Senate bill

Candidates who agree to abide by the spending limits and become eligible to receive benefits must file a certification with the Federal Election Commission. First, the candidate must file a declaration with the FEC on the date of filing for the primary election that the candidate and the candidate's authorized committees will meet the limitations on spending in the primary, runoff, and general elections; will meet the limitation on expenditures from personal funds, and will not accept contributions for the primary and runoff elections that exceed the limits. Within 7 days of qualifying for the general election ballot or winning a primary or runoff election held after September 1 (whichever is earlier), the candidate must file a certification, under penalty of perjury, which states that the candidate has not exceeded the primary expenditure and contribution limits, the contribution threshold has been met, at least one other candidate has qualified for the general election, the candidate and the authorized committee will not exceed the contribution and expenditure limits for the general election.

A general election candidate who does not intend to become eligible for public benefits must file a declaration with the Commission stating whether the candidate intends to make expenditures which will exceed the general election spending limit. Additional reports are required of such a candidate after he or she raises or spends more than 75 percent of the spending limit. An additional report is required each time a non-participating candidate spends an additional 10 percent of the limit until 133 1/3 percent of the limit is reached.

The system of public benefits provides a compensating payment to eligible candidates for independent expenditures when such expenditures exceed an aggregate of \$10,000. So that eligible candidates would receive such funding in an efficient manner, the bill requires that when an individual or group makes or obligates to make an independent expenditure for a Senate election in excess of \$10,000, they are required to file a report with the Commission within 24 hours and to file additional reports within 24 hours each time an additional expenditure exceeds an aggregate of \$10,000. These reports must be filed under penalty of perjury with the Commission and the appropriate Secretary of State and identify the affected candidate.

Because the bill restricts the spending by a candidate of personal funds, the Senate bill requires that any candidate who expends more than \$25,000 from personal or imme-

diate family funds or by personal loan incurred by the candidate or the candidate's immediate family, must file a report with the Commission within 24 hours.

The bill requires that within seven days of becoming a Senate candidate, such candidate must file a statement with the Commission setting forth the amount and nature of any expenditures made before becoming a candidate which could be treated as a Senate campaign expenditure. The Commission is charged to review such a statement and determine whether such expenditures were made in connection with the Senatorial campaign and are thus subject to the applicable spending limit.

House amendment

No similar provision.

Conference substitute

The conference substitute follows the Senate bill with the modification for the filing of reports by non-participating candidates. The modified scheme of contingent benefits for a non-participating candidate requires a subsequent change in the reporting requirements. Non-participating candidates are required to file a report when they exceed the spending limits, and for each time that such a non-participating candidate exceeds the limits by 133% and 166% up to 200 percent of the limit.

SECTION 104. DISCLOSURE BY NONELIGIBLE CANDIDATES

Senate bill

Requires that any broadcast or other communication paid for or authorized by a non-eligible Senate candidate contain a disclaimer that such candidate has not agreed to abide by the spending limits.

House amendment

No similar provision.

Conference substitute

Adopts the Senate provision.

Subtitle B—Expenditure Limitations, Contribution Limitations, and Matching Funds for Eligible House of Representatives Candidates

SECTION 121. NEW TITLE OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1971

Senate bill

No similar provision.

House amendment

The House amendment provides a voluntary spending limit for House candidates at \$600,000 for the election cycle, no more than \$500,000 of which can be spent during the general election period. The "general election period" is defined in the bill to begin the day after the primary and end the last day of the election year. Overall election cycle expenditures are subject to the \$600,000 limit. A limit of \$500,000 is also established for special elections.

Two specific increases are allowed to be made in the spending limit: (1) an additional \$100,000 may be spent in the general election period in the event of a runoff election; and (2) an extra \$150,000 may be spent in the general election period, if the candidate wins a contested primary with a margin of 10 percentage points or less.

In return for committing to abide by the applicable spending limits, certain benefits are made available to candidates. Enrollment is officially made in a "Statement of Participation" filed by the candidate with the Federal Election Commission and the Secretary of State in which state the candidate resides. This statement, in which the candidate irrevocably pledges to abide by the specified limits on spending and contribu-

tions (along with various compliance requirements) as a condition for receiving benefits, must be filed by January 31 of the federal election year or along with the official FEC statement of candidacy, whichever occurs later.

The House bill establishes a system of limits on the sources of contributions an eligible candidate may accept. The bill establishes limits of no more than 1/3 of receipts comes from PACs, and no more than 1/4 comes from large individual donations (defined as contributions from \$200 to \$1,000 per election). The remaining 1/4 may come from matching funds or small individual donations. Some of these targets are mandatory, whereas others are contingent upon a candidate's participation in the spending limit system. As with the expenditure limit, money raised for legal and accounting compliance costs and for paying federal and state taxes are exempt from the receipts limit (as well as from the PAC and large donor receipts limits discussed below). And just as the expenditure limit may be exceeded under specified circumstances, so too may the limit on contributions received, in parallel fashion. Candidates with runoff elections may raise an additional \$100,000, with no more than half coming from PACs and no more than half from large donors.

Candidates who win closely contested primaries may raise an extra \$150,000, with up to 1/3 from PACs, 1/4 from large donors, and 1/4 in additional matching funds.

Provision is also made for eligible candidates who transfer surpluses from one election cycle to the next. Up to \$600,000 or the maximum cycle amount may be transferred, but that money is deducted from the \$600,000 fundraising limit in the next cycle for purposes of determining the proportionate amounts which may then be raised from various sources. Once the transferred amount is subtracted, no more than 1/3 of the remaining figure may come from PACs, no more than 1/4 may come from large donors, and no more than 1/4 may come from matching funds.

Also, the penalties for raising money in excess of the contribution limits follow the same pattern as those for exceeding the expenditure limits, except that any amount raised that is less than 5% over the limit shall simply be refunded to contributors. This is to account for contributions which may be received in the closing weeks of a campaign, when the candidate is close to the permissible levels, but has not yet reached them. Because fundraising is an on-going process, and because contributions may be received unsolicited, the campaign is permitted a small excess to refund, rather than be subject to a civil penalty.

Matching funds will be available on a voluntary basis, to participating candidates, up to \$200,000, or 1/3 of the overall campaign spending limit. The first payment would match the \$60,000 eligibility threshold; thereafter, the first \$200 of contributions from individuals will be matched, as applied for by candidates along with copies of checks or other negotiable instruments (which identify the contributor).

The \$200,000 cap on matching funds received by a candidate (also indexed for inflation) may be increased under three circumstances: (1) by up to \$50,000, if the general election spending limit was raised to offset a closely contested primary; (2) by an unspecified amount, if a candidate's non-participating opponent raises or spends more than \$250,000 in the election cycle; and (3) by an unspecified amount, to offset at least \$10,000 in independent expenditures made

against the candidate or for his or her opponent.

Another benefit available to eligible candidates takes the form of reduced postal rates. Participating candidates in the general election will be eligible for the same third-class mailing rate that national political parties now receive. The number of pieces of mail will be limited to three times the voting age population (VAP) of that congressional district, presumably translating to three mailings to every voter.

The House bill provides that no eligible House candidate may receive amounts from the Make Democracy Work Fund unless such candidate certifies that any television commercial prepared or distributed by the candidate will be prepared in a manner containing or permitting close captioning.

Conference substitute

The conference agreement adopts the provisions of the House amendment to apply to the House, with the following changes:

1. In the Conference agreement, the House recedes to the Senate provision whereby eligible candidates with a runoff election may spend an additional 20% of the general election limit.

2. The Conference agreement omits the provision which would remove the spending limit for eligible House candidates if independent expenditures aggregating more than \$60,000 are made in favor of another candidate, or against the eligible candidate.

3. Requires a non-participating candidate who makes expenditures in excess of 80 percent of the general election limit to report to the Federal Election Commission within 48 hours when such a threshold has been met. Moreover, a participating candidate may only make expenditures in excess of the \$200,000 matching fund limit once the non-participating opponent has made expenditures in excess of 80% general election limit.

4. The Conference agreement changes the definition of low, medium, and large amounts of excess expenditures and contributions to be: less than 2.5%, between 2.5% and 5%, and over 5% respectively, and requires that such penalties shall be paid to the Commission. In addition, a corresponding modification is made with respect to the civil penalties section. This modification provides for a uniform schedule of civil penalties for both the Senate and House candidates who exceed the specified limits.

5. The House recedes to the Senate approach whereby indexing of expenditure and contribution limits would occur annually.

6. The Conference agreement provides that an eligible candidate may accept contributions for runoff elections equal to 20% of the general election limit, subject to further limitations of the House provision.

7. The Conference agreement limits the personal spending of participating House candidates to ten percent of the general election limit. This establishes a similar provision in the conference agreement as it relates to the Senate participating candidates.

8. The Conference agreement establishes a ceiling of 20% of the election cycle limit on the balance of the legal and accounting compliance account and further specifies that no benefits may be transferred to a separate legal and accounting fund. This account is permanently segregated and may not be transferred into the candidate's campaign account.

9. The Conference agreement omits the provision of the House bill which removes the aggregate contribution limits for eligible candidates if independent expenditures aggregating more than \$60,000 are made in

favor of another candidate or against the eligible candidate.

10. The Conference agreement increases the small individual contribution amount to \$250 or less.

11. The Conference agreement omits the provision establishing the Make Democracy Work Fund. This modification is consistent with the intent of the conferees to eliminate all provisions relating to the funding mechanism of the bill.

SECTION 122. LIMITATIONS ON POLITICAL COMMITTEE AND LARGE DONOR CONTRIBUTIONS THAT MAY BE ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATES

Senate bill

No similar provision.

House amendment

The House amendment limits eligible candidates for the House of Representatives from receiving contributions from political action committees to \$200,000. Moreover, this section limits the total contributions such a candidate may receive in individual contributions in excess of \$200 to \$200,000. In the case of an eligible candidate for the House who wins the primary by 10 percentage points or less, that candidate may, in the general election, accept contributions of no more than \$150,000 (with \$50,000 PAC limit and \$50,000 large donor contributions).

Conference substitute

Adopts the House provision, with modification that the large donor threshold is \$250.

SECTION 123. EXCESS FUNDS OF INCUMBENTS WHO ARE CANDIDATES FOR THE HOUSE OF REPRESENTATIVES

Senate bill

No similar provision.

House amendment

Provides that, for the initial election cycle for which the new limitations will apply, any incumbent of the House of Representatives who is a candidate for reelection, must deposit any campaign funds in excess of \$600,000 into a separate account by the date he or she files a statement of participation under new section 502. This separate account must comply with the reporting requirements of the Federal Election Campaign Act of 1971. The amounts so deposited are available for any lawful use, other than for a campaign for the office of Representative.

Conference substitute

Adopts the House provision.

Subtitle C—General Provisions

SECTION 131. BROADCAST RATES AND PREEMPTION

Senate bill

Requires lowest unit rate to be available to all candidates in last 30 days before the primary and the last 45 days before the general election. This section also prohibits broadcasters from preempting advertisements sold to political candidates at lowest unit rate, unless beyond the broadcasters control.

House amendment

Identical provision.

Conference substitute

The Conference Agreement adopts the House provision as modified to provide that participating Senate candidates are permitted to purchase time at 50 percent of the lowest unit rate for the 45 days before the general election.

SECTION 132. EXTENSION OF REDUCED THIRD-CLASS MAILING RATES TO ELIGIBLE HOUSE OF REPRESENTATIVES AND SENATE CANDIDATES

Senate bill

Provides that eligible Senate candidates can mail first class mail at one-fourth the

normal rate, and third-class mail at 2 cents less than the reduced first-class rate, with the candidate's share up to 5 percent of the general election limit.

House amendment

Provides that eligible House candidates can mail up to 3 pieces per eligible voter in district at same reduced third-class rate as national party committees.

Conference substitute

Eligible Senate and House candidates will be permitted to mail up to one piece per eligible voter (voting age population) at lowest third-class non-profit rate. This rate is available to eligible candidates during the general election period only.

SECTION 133. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES

Senate bill

Section 304A(b) of the Senate bill requires persons, whether alone or in cooperation with others, who make or obligate to make independent expenditures for Senate elections in excess of \$10,000, to report to the Secretary of Senate within 24 hours, and to file additional reports within 24 hours of each time the additional aggregate in such expenditures exceeds \$10,000. Each report must identify the affected candidate. Within 24 hours of receiving a report of such independent expenditures, the Commission is required to notify each eligible candidate of independent expenditures in excess of \$10,000 made against them or in favor of their opponent. The Commission is authorized to make its own findings regarding independent expenditures and is required to give the affected candidates notice of its findings.

House amendment

Section 402 of the House amendment requires any person who makes independent expenditures aggregating \$5,000 to report to the Commission such independent expenditure within 48 hours after it is made and to file additional reports within 48 hours of each time an additional \$5,000 in independent expenditures are made with respect to the same election. The term "made" means any action taken to incur an obligation for payment. Each report must indicate whether the expenditure is in support of or opposition to the candidate involved. Within 48 hours of receiving a report of such independent expenditures, the Commission is required to transmit a copy of such report to the candidate involved.

The House amendment also requires any person intending to make independent expenditures in the 20 days before an election to file a statement on the 20th day before the election. The statement must identify the candidate involved. Within 48 hours after receipt, the Commission must transmit a copy of the report to the candidate involved.

Conference substitute

The Conference agreement is the same as the House amendment, with the following modifications:

1. The threshold for filing the aggregate independent expenditure reports during the election cycle up to 20 days before an election is \$10,000, as contained in the Senate bill. The pre-election report of independent expenditures filed on the 20th day before an election is still triggered at a \$5,000 threshold.

2. The reports required by these sections shall be filed with the Secretary of Senate, Clerk of the House and the appropriate Secretary of State, depending upon the candidate involved. It is the conferees understanding that the Secretary of State and the

Clerk of the House, operating under current resource levels, are sufficiently able to transmit copies of all reports to the Commission in a period of two to four hours. This will enable the Commission to meet its transmission requirements.

3. As contained in the Senate bill, the Commission is authorized to make its own findings regarding independent expenditures and is required to give the affected candidate notice of its findings.

SECTION 134. CAMPAIGN ADVERTISING

Senate bill

Requires candidates to clearly state that he or she approved any message, through a personal appearance for television advertisements, an audio statement for radio advertising, or a written statement for print advertisements. This disclaimer must also state that the advertisement was paid for and authorized by the candidate.

House amendment

Requires a clear statement of responsibility in advertisements with: a clearly readable type and color contrasts for print advertisements; clearly readable type, color contrasts, the candidate's image, and for a duration of at least 4 seconds, for television advertisements; and a clearly spoken message by the candidate for both television and radio advertisements.

Conference substitute

Adopts the House amendment.

SECTION 135. DEFINITIONS

Senate bill

The Senate bill defines the terms "eligible candidate," "Senate Election Campaign Fund," "Fund," "general election," "general election period," "immediate family," "major party," "primary election," "primary election period," "runoff election," "runoff election period," "voting age population," and "expenditure" and incorporates by reference all other definitions in Section 301 of the Act.

House amendment

The House bill defines the terms "eligible House of Representatives candidate," "general election period," and "election cycle."

Conference substitute

The conference agreement adopts the Senate bill with the following modifications:

1. The provisions of the Senate bill defining the Senate Election Campaign Fund are deleted, consistent with the conferees intent to eliminate all provisions relating to the funding mechanism of the bill.

2. Adopts appropriate definitions as they relate to the House system.

3. Section 301(13) of the FECA (2 U.S.C. 431(13)) is amended by striking "mailing address" and inserting "permanent mailing address." The conferees believe that the reporting requirement of a contributor's address should be revised in the interest of better disclosure of relevant information on reports. Experience since the 1980 amendments that permitted the reporting of a contributor's mailing address has shown that the use of permanent mailing address more accurately identifies an individual. It is the intent of the conferees that the "permanent mailing address" is the permanent residence of the individual.

SECTION 136. PROVISIONS RELATING TO FRANKED MASS MAILINGS

Senate bill

Prohibits a Member of the Senate who is a candidate for election to any public office from making a mass mailing under the frank

during the calendar year of any primary or general election for such office.

House amendment

No similar provision.

Conference substitute

The conference agreement adopts the Senate provision as it applies to the Senate. This section is modified to include a provision restricting mass mailings of Members of the House of Representatives to their district.

TITLE II—INDEPENDENT EXPENDITURES

SECTION 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES

Senate bill

Section 201(a) of the Senate bill adds the term "cooperative expenditure" to 2 U.S.C. 431(8) and states that an independent expenditure cannot include a cooperative expenditure, the latter being treated as a contribution from the person making the expenditure to the candidate on whose behalf it was made and as an expenditure by the candidate for whose benefit it was made.

Section 201(b) defines "cooperative expenditure" to specify certain relationships and activities between candidates and committees or other persons that constitute coordination, consultation or concerted activity between the parties and which do not constitute a relationship of sufficient independence to permit unlimited spending for or against a candidate.

House amendment

Section 401(a) of the House amendment amends the definition of "independent expenditure" contained at 2 U.S.C. 431(17) to include communications which contain express advocacy and are made without the participation or cooperation of a candidate. The definition excludes expenditures by political parties, political committees established, maintained or controlled by persons or organizations required to register as lobbyists or foreign agents, or persons who communicate or receive information regarding activities that have a purpose of influencing the candidate's election, from being considered independent expenditures.

Section 401(a) of the House amendment also adds the definition of "express advocacy" to 2 U.S.C. 431 to mean a communication that, when taken as a whole, is an expression of support for or opposition to a specific candidate, a specific group of candidates, or candidates of a particular political party, or a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity.

Conference substitute

The Conference agreement is the same as the House amendment, with the addition of the provisions of the Senate bill that set forth certain relationships and activities that result in expenditures which may not be considered independent. Consequently, the Conference agreement does not create a new class of expenditures, i.e., cooperative expenditures, but, rather, includes among the prohibitions contained in the House amendment, a number of specific types of relationships and activities which would abrogate the independence of an individual or organization.

The Conferees also agreed as to the importance of clarifying what is an independent expenditure by defining express advocacy. Among the problems recognized by the Conferees are communications which are candidate specific, but which lack specific words

of exhortation, such as "vote for" or "vote against". The definition contained in the Conference agreement is intended to adopt the standard set forth in *FEC v. Furgatch*, 807 F.2d 857 (9th Cir., 1987) that no specific word is required for express advocacy, but, rather, a clear and unambiguous suggestion to take action is sufficient. In addition, the communication should be "taken as a whole," that is, reference, though limited, may be given to external events, such as the timing and context of the communication, as well as its content, in determining whether it contains express advocacy.

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

SECTION 301. PERSONAL CONTRIBUTIONS AND LOANS

Senate bill

Section 211 amends 2 U.S.C. 441a to prohibit contributions received after the general election from being used to repay loans from a candidate or immediate family member. No contribution may be returned to a candidate or immediate family member except as part of a pro rata distribution of excess funds to all contributors.

House amendment

No similar provision.

Conference substitute

Adopts Senate provision.

SECTION 302. EXTENSIONS OF CREDIT

Senate bill

The Senate bill amended the Act to count as a contribution any extension of credit of more than \$1,000 for more than 60 days to Senate candidates by vendors of advertising and mass mailing services. This was intended to put an end to the practice of large vendor debts which remain unpaid for long periods of time and which are thus construed to have been contributions (in amounts which exceed the Act's limits).

House amendment

No similar provision.

Adopts the Senate provision modified to apply to both House and Senate candidates.

Subtitle B—Provisions Relating to Soft Money of Political Parties

Senate bill

The Senate bill includes several provisions to limit the use of nonfederal funds that affect federal elections. Political party committees would be prohibited from using soft money for any activities that affect a federal election, including get-out-the-vote activities, voter registration, and generic and mixed election activities that are during a federal election period. In addition, state and local party committee spending on mixed Federal-State activities would be subject to overall limits of 30 cents per voter.

State party contribution limits would be increased to the amount permitted to national parties. Federal office holders and candidates would be prohibited from soliciting contributions in excess of the federal limits and from sources not permitted under federal law. The exemptions for contributions and expenditures in current law that permit unlimited State party spending for "volunteer activities" that affect a federal election and for get-out-the-vote and voter registration for Presidential elections would be repealed. These exemptions would be replaced by a general four cents per voter coordinated expenditure allowance for Presidential elections. (This is indexed for inflation back to 1974 and is approximately 10 cents per voter in 1992 dollars.) Slate cards

and sample ballots would continue to be treated as exempt activities except to the extent of the cost of mass mailing such listings.

House amendment

The House bill codifies existing rules established by the Federal Election Commission that require an allocation between federal and nonfederal accounts for spending that affects both federal and nonfederal elections. This includes spending on slate cards, sample ballots, voter registration, get-out-the-vote, fundraising and other generic and mixed activities which affect both federal and nonfederal elections. The bill establishes methods for allocating such costs depending on whether the national or state and local committees makes the expenditure and depending on what type of expenditure is made.

Conference substitute

The conference agreement adopts the Senate bill with certain modifications and clarifications regarding the responsibility and the role of state party committees and non-federal candidates.

The conference agreement fully reflects the Senate intention to deal with what is perhaps the most serious abuse of the present system—the process of raising large sums of money not regulated under federal law to affect federal elections. This use of so-called "soft money" has seriously undermined existing anti-corruption laws and strained public confidence in the fairness of the electoral process and the integrity of government.

The soft money provisions of the conference agreement are intended to end the current practice of using large sums of non-federal money to evade the federal contribution limits and prohibitions in order to affect federal elections. These provisions are designed to prohibit the use of soft money for activities which may, in whole or in part, affect a federal election. Moreover, the conference agreement requires that expenditures on these activities derive solely from sources that are permitted under federal law. This is the only way to ensure that the integrity of federal contribution limits and prohibitions is protected.

To this end, the conference report requires that all money solicited, contributed or spent with respect to an activity which in whole or in part is in connection with a federal election meets the limitations, prohibitions, and reporting requirements of the Act.

In adopting final conference language, it is the intention of the conferees to ensure that only contributions subject to the limitations and prohibitions of the Act may be used by state parties to conduct activities that affect federal elections—such as any get-out-the-vote drive during a federal election period, or generic or mixed activities which affect federal elections. All such activities must be, and have been, included in order to ensure that the soft money ban is effective. If, for example, a get-out-the-vote drive by a state party committees were conducted in the name of a gubernatorial candidate at a time when other, federal candidates were also on the ballot and this was not covered, the entire system of soft money in support of federal candidates would simply flow through this channel.

The state party activities which are exempt from the Act, as amended by the conference agreement, may not be used to evade federal contribution limits and prohibitions. The exemptions provided are only available for any activity which affects a nonfederal election.

For example, the exemption for "amounts contributed [by a state party] to a candidate for other than federal office" only applies to contributions to a non-federal candidate which are used on activities that affect non-federal candidates. The exemption does not permit a non-federal candidate to serve as a conduit for receiving contributions which are then used for activities to benefit a federal candidate, such as a get-out-the-vote drive or generic advertising.

Similarly, the exemption that allows state parties to make expenditures for "campaign activities . . . that are exclusively on behalf of State or local candidates" cannot be used as a vehicle for expenditures by a state party which are used for any kind of get-out-the-vote activities (or any other activity) which affects a federal election, in whole or in part. The conference report specifically requires that if these activities, including get-out-the-vote activity of any kind, affects a federal election, the exemption would not apply and the activity would have to be financed with contributions which fully meet the limitations and prohibitions of the federal law.

The conference agreement prohibits state party committees from evading the contribution limits of federal law by using non-federal money for get-out-the-vote activities for nonfederal candidates, recognizing that such activities may be undertaken with the real intention of aiding federal candidates. However, this would not prohibit the use of nonfederal money for written campaign materials, such as slate cards or brochures that support only specifically named nonfederal candidates, that have only an incidental effect on voting for the entire ticket, and that are not devices to use nonfederal money to assist federal candidates.

The exemption for state party administrative costs is meant to include those staff, overhead and related costs which are directly related to the support of state candidates or conventions. Staff who devote substantial portions of their activities to elections for federal office must be financed solely with funds which meet the contribution limits and prohibitions of the Act. State party administrative expenses may not be used to finance federally-related activities.

Under the conference agreement, national party committees may spend nonfederal money to support activities which are defined as not in connection with a federal election. National party committees are prohibited from raising or spending nonfederal money for any activity which in whole or in part affects a federal election.

While the conferees intend to put an end to the practice of using soft money to affect federal elections, they do not wish to interfere with the legitimate responsibilities of state party committees to help organize and coordinate election efforts for both federal and nonfederal candidates. Therefore, the conference report includes modifications to the Senate provisions to clarify the means by which state parties may operate coordinated campaigns between federal and non-federal candidates.

These provisions permit state and local candidate committees to participate in coordinated campaign efforts sponsored by state party committees so long as the amounts received from the state and local candidate committees are derived from funds which are legal under federal law; that is, they are from sources and in amounts permitted under the Act. This is determined by examining the account balance of the state or local candidate committee at the time the payment or transfer is made. The balance

shall be considered to consist of the funds most recently received by the committee for purposes of determining that the source and amount restrictions of federal law are met.

The state and local candidate committee must certify that such funds meet those requirements. However, the certification does not create a presumption that such funds meet the source and amount restrictions of federal law. State and local candidate committees, which make payments to state party committees for activities which in whole or in part affect federal elections, must keep records of the sources of the funds in their accounts from which the payments are made and be prepared to make such records available for examination to the Federal Election Commission.

The conferees are aware that coordinated campaign efforts between federal and non-federal candidates can be organized and funded in many different ways. In some cases, coordinated campaigns may be informal arrangements where federal and non-federal candidates appear together on campaign materials. In other cases, formal arrangements are made for the pooling of funds to be spent on a variety of activities to promote the election of federal and nonfederal candidates.

In some cases, candidates may wish to raise funds directly for the political party to fund a coordinated campaign. In other cases, candidates may make contributions to the party or may make payments to the party committee or to a vendor for the services provided to the campaign. In none of these cases are soft money funds allowed to be used for expenditures that may affect a federal election.

The conference agreement does not provide a detailed statutory framework to cover every conceivable arrangement of coordinated campaigns. Rather, the conference agreement is drafted in sufficiently broad language to cover varying arrangements for state party activities that affect federal elections. It is the intent of the conferees, as expressly stated in the conference agreement, that the Federal Election Commission promulgate regulations to ensure that the provisions of this section are not undermined or evaded through devices or arrangements which have the purpose or effect of avoiding the soft money restrictions.

In the past, campaign finance laws have been undermined by schemes that have been developed to avoid the limitations and prohibitions of the Act. The FEC should develop more elaborate accounting or reporting requirements to ensure the law is not evaded by candidates with more substantial financial resources such as state wide candidates or those with larger campaign operations.

The conferees are advised that some state and local candidate committees will make payments unrelated to any coordinated campaign for services such as voting lists which in part affect federal elections. The conferees do not require that such payments must meet the source and amount restrictions of the Act as long as such funds are in payment for services unrelated to a coordinated campaign with federal candidates or for activities that affect a federal election. Such funds will retain their character as nonfederal money in the accounts of the state party committee.

The conference agreement repeals provisions in current law which exempt certain campaign materials and presidential get-out-the-vote activities by state and local party committees from the definition of expenditure. These so-called "exempt activities"

provisions have proven to be vehicles for the evasion of the contribution and coordinated expenditure limits of the law. Because of the varied fact patterns that can apply to such activities, this has been a difficult area of the law for the FEC to enforce. Party committees have claimed to have satisfied the "volunteer" aspect of these provisions simply by having a few volunteers stamp pre-printed, pre-sorted mass mailings. Extremely complex accounting has been required to ascertain if national party funds are being used in part or in whole.

In place of these exempt activities provisions, the conference agreement gives state party committees their own coordinated expenditure allowance of four cents per voting age population (actually approximately ten cents per voter because this is indexed for inflation back to 1974) to correspond to other coordinated expenditure allowances in Act. The Senate bill is modified to limit this new coordinated expenditure allowance to expenditures other than television broadcasts.

The conference agreement deletes the Senate provision limiting the ability of political party committees to transfer federally permissible funds. The definition of "federal election period" for purposes of determining whether certain expenditures affect a federal election is modified to provide a uniform rule among states regardless of when their primary begins. Under the conference agreement, the "federal election period" will begin on April 1 in years when there is a presidential election, and on June 1 in non-presidential election years.

TITLE IV—CONTRIBUTIONS SECTION 401. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS

Senate bill

Contributions made through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, would be limited to the contribution limit of the intermediary or conduit. In general, political committees; connected organizations; and their officers, employees and agents; as well as lobbyists, would be prohibited from acting as conduits or intermediaries of contributions to candidates except to the extent such contributions do not exceed the contribution limit of the conduit or intermediary. An officer, employee, or agent of an organization prohibited from making contributions under federal law (corporation, labor organization, or national bank) would be prohibited from serving as a conduit on behalf of the organization in excess of the contribution limit of the officer, employee, or agent. These rules would not prohibit bona fide joint fundraising efforts undertaken by candidates and party committees.

House amendment

Contributions through a conduit or intermediary would be prohibited, however, certain persons would not be considered to be a conduit or intermediary, including: a candidate or representative of a candidate; a professional fundraiser providing paid services to the candidate; a volunteer hosting a fundraising event at the volunteer's home; an individual transmitting contributions from the individual's spouse. For these purposes, the following cannot be a representative of a candidate: a political committee with a connected organization; a political party; a partnership or sole proprietorship, or an organization prohibited from making contributions under federal law, i.e. a corporation, labor organization, or national bank.

Conference substitute

The conference agreement follows the Senate bill with certain modifications taken from the House bill to clarify the reach of the provisions.

The intent of these provisions is to stop evasion of the contribution limits and prohibitions of current law whereby political committees, individuals, and others solicit individual campaign contributions and then bundle the contributions together or otherwise arrange for the candidate to receive the contributions in a way which allows them to be recognized as providing the contributions. In the case of a PAC, for example, this means that contributions are organized and provided by the PAC in excess of its contribution limits in a way that makes clear that the PAC is responsible for the contributions being made.

The purpose of the contribution limits and prohibitions of current law is to prevent corruption and the appearance of corruption. The bundling provisions in the conference report are designed to prevent the existing contribution limits and prohibitions from being evaded and undermined.

The conference agreement limits bundling by lobbyists; partnerships and sole proprietorships; organization prohibited from making contributions under federal law and their officers, employees or agents acting on the organization's behalf; and individuals who are agents, employees, or officers of a political party or connected political committee.

In general, the bundling provisions are not intended to interfere with the ability of federal candidates to raise campaign funds from persons who do not present problems of corruption or the appearance of corruption. Therefore, the conference agreement does not cover individuals acting in their own capacity (other than registered lobbyists to whom special provisions apply) unless they are engaging in such efforts on behalf of another entity covered by federal contribution limits and prohibitions.

For example, the bundling provisions do not apply to individuals serving as volunteers helping raise campaign funds for candidates through fundraising receptions or by other methods. So that there is no confusion about the reach of these provisions, the conferees have adopted specific clarifications from the House bill providing that the bundling restrictions do not apply to the following: a volunteer hosting a fundraising event at the volunteer's home; representatives of the candidate occupying a significant position in the campaign, professional fundraisers working for the candidate, and individuals transmitting a contribution from the individual's spouse.

If an individual in raising contributions for a candidate for federal office is acting in behalf of another entity covered by federal campaign limits and prohibitions, such as assisting a PAC or political party in making contributions in excess of its limit, then the contributions would be treated as coming from the PAC or political party as well as the original donor, in order to prevent evasion of the law.

Persons required to register as lobbyists or foreign agents would also be required to treat contributions they bundled for a federal candidate against their own contribution limit. The purpose of this provision is to ensure that lobbyists are not able to evade their contribution limits and use large sums of money beyond that which they are otherwise permitted to contribute to obtain influence with government officials.

SECTION 402. CONTRIBUTIONS BY DEPENDENTS
NOT OF VOTING AGE*Senate bill*

Section 223 of the Senate bill amends section 315 of the Act of count contributions of non-voting age dependents of another individual as contributions of that individual, and allocated between that individual and his or her spouse, if applicable. This was intended to prevent wealthy individuals from circumventing the Act's contribution limits by channeling donations through their children.

House amendment

Section 202 of the House bill contains the identical provision.

Conference substitute

The conference substitute is the same as the Senate and the House provisions.

SECTION 403. CONTRIBUTIONS TO CANDIDATES
FROM STATE AND LOCAL COMMITTEES OF
POLITICAL PARTIES TO BE AGGREGATED*Senate bill*

No provision.

House amendment

The House amendment includes a provision to assure that candidates do not receive contributions from state and local party committees in excess of the limit. Since the amount a candidate can receive from all such committees is subject to a single limit, aggregation by all such committees is required and the candidate may not accept any contribution from any such party committee if that contribution when aggregated with all other contributions will exceed the overall limit.

Conference substitute

Adopts the House provision.

SECTION 404. LIMITED EXCLUSION OF ADVANCES
BY CAMPAIGN WORKERS FROM THE DEFINITION
OF THE TERM "CONTRIBUTION"*Senate bill*

No provision.

House amendment

Provides for an exemption from the definition of the term "contribution" for any campaign expense voluntarily paid for by a campaign worker as an advance to the campaign provided the amount did not exceed \$1,000 and that repayment was made by the campaign to the worker within 60 days of the date of the advance.

Conference substitute

Adopts the House provision with a modification of the amount to \$500 and the period of the advance reduced to 10 days.

TITLE V—REPORTING REQUIREMENTS

SECTION 501. CHANGE IN CERTAIN REPORTING
FROM A CALENDAR YEAR BASIS TO AN ELEC-
TION CYCLE BASIS*Senate bill*

Section 231(a) of the Senate bill amended section 304(b) of the Act to require candidates and authorized committees to aggregate information on their financial activity reports on an election cycle, rather than a calendar year, basis. This was intended to make reports conform to the way we actually conduct and think of elections today, rather than attempt to fit them into the artificial boundaries of the calendar.

House amendment

Similar provision.

Conference substitute

Adopts the House provision, applied to all Federal candidates.

SECTION 502. PERSONAL AND CONSULTING
SERVICES*Senate bill*

Section 231(b) of the Senate bill requires candidates to report any expenditure in excess of the reporting threshold made to a person who provides services or materials for the candidate, whether the payment was made directly or indirectly. This provision was intended to provide for the identification of subcontractors, or secondary payees, who are hired by campaign consultants to perform specific services for campaigns and thus to achieve fuller disclosure under the Act.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

SECTION 503. REDUCTION IN THRESHOLD FOR RE-
PORTING OF CERTAIN INFORMATION BY PER-
SONS OTHER THAN POLITICAL COMMITTEES*Senate bill*

No provision.

House amendment

Section 1001 of the House bill amended section 304(b)(3)(A) of the Act to require candidates to itemize contributions of over \$50, rather than the current threshold of \$200. This was intended to increase the amount of information which may be publicly available.

Conference substitute

Adopts the House provision.

SECTION 504. COMPUTERIZED INDICES OF
CONTRIBUTIONS*Senate bill*

No provision.

House amendment

Section 1004 of the House bill amended section 311(a) of the Act to require the FEC to maintain computerized indices of all contributions of at least \$50, reduced from the current threshold of \$200. This was intended to facilitate public access to the greater amount of information required to be disclosed under this legislation.

Conference substitute

Adopts the House provision.

TITLE VI—FEDERAL ELECTION COMMISSION
SECTION 601. USE OF CANDIDATES' NAMES*Senate bill*

Section 301 of the Senate bill amended section 302(e)(4) of the Act to prohibit a political committee that is not an authorized committee from using a candidate's name in a way to suggest that the committee has been authorized by that candidate.

House amendment

Section 602 of the House bill contains a virtually identical provision.

Conference substitute

Adopts the House amendment.

SECTION 602. REPORTING REQUIREMENTS

Senate bill

Section 302(a) of the Senate bill allows candidate committees to file disclosure reports on a monthly basis in all years.

House amendment

No provision.

Conference substitute

Adopts the Senate provision.

SECTIONS 603-8. OTHER PROVISIONS RELATING TO
THE COMMISSION*Senate bill*

Several provisions would effect several substantive and procedural changes in the activity of the Commission.

The Senate was concerned with perceived inefficiency in the ability of the Federal Election Commission, as currently constituted, to enforce the law in an efficient and effective manner. The problem stems partly from partisan deadlock on a Commission which is made up of an equal number of individuals from each of the major parties. The bill would change the current requirement that the Commission have four affirmative votes to proceed on a recommendation of the general counsel to an affirmative vote of three members of the Commission. Under the provisions of the bill, the Commission could proceed to a finding of "reason to believe," to initiate or proceed with an investigation, the requirement for the production of documentary evidence, or to order and conduct testimony by three affirmative votes on a recommendation of the General Counsel.

S. 3 also took steps to remedy the unnecessarily lengthy amount of time in which it takes the Commission to resolve enforcement matters. Under the provision of the Act, the Commission is required to make a finding of "reason to believe" that a violation has occurred. This standard produces dual inefficiencies: (1) it requires extensive staff time of the Commission's general counsel to process the complaint, and (2) candidates, against whom a complaint is filed, are unwilling to proceed to conciliation of a complaint because the Commission's finding of reason to believe that a violation has occurred creates the impression that the candidates has in fact violated the laws. To remedy these problems, the bill makes the reason to believe finding one in which there is reason to believe that a violation may have occurred. The rationale being that this lesser standard creates a less stigmatizing allegation of wrongdoing, and therefore will make candidates accused of wrongdoing more likely to conciliate a complaint and resolve the matter in a more efficient manner.

In an effort to further expedite the process, S.3 reduces the time period for the Commission to correct apparent violations through conciliation.

The bill also restores authority to the Commission to conduct random audits random audits of political committees.

The bill would also establish the rate of pay for the general counsel to be the same as the staff director and further provides, that in the event of a vacancy in the position of the general counsel, the next highest ranking enforcement official shall serve as acting general counsel, pending the appointment of a successor.

House amendment

No similar provisions.

Conference substitute

Adopts the Senate bill with the following modifications:

1. The conference agreement eliminates the provision which would have permitted the Commission to proceed on certain prescribed recommendations of the general counsel by 3 affirmative votes. The conferees expressed concern that such a policy on an evenly divided politically oriented Commission might create an unreasonable number of inquiries. Further, such a policy may not adequately protect the rights of one being subjected to the process.

2. The conference agreement eliminates the provisions of the Senate bill which would have reduced the conciliation periods for enforcement matters. The conferees believe that the periods for conciliation in S.3 would not produce an adequate amount of time for

the full benefits of conciliation to be realized.

TITLE VII—BALLOT INITIATIVE COMMITTEES

SECTION 701. DEFINITIONS RELATING TO BALLOT INITIATIVES

Senate bill

No similar provision.

House amendment

Defines the terms "ballot initiative political committee," "ballot initiative contribution" and "ballot initiative expenditure." A ballot initiative political committee is any committee, club, association, or other group of persons which makes ballot initiative expenditures or receives ballot initiative contributions in excess of \$1,000 during a calendar year. A ballot initiative contribution is any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing the outcome of any referendum or other ballot initiative voted on at the State, commonwealth, territory, or District of Columbia level which involves (A) interstate commerce; (B) the election of candidates for Federal office and the permissible terms of those so elected; (C) Federal taxation of individuals, corporations or other entities; or (D) the regulation of speech or press, or any other right guaranteed under the U.S. Constitution. The definition of ballot initiative expenditure parallels the definition of ballot initiative contribution.

Conference substitute

Adopt the House provision.

SECTION 702. AMENDMENT TO DEFINITION OF CONTRIBUTION

Senate bill

No similar provision.

House amendment

Amends the definition of "contribution" under the Act to exclude ballot initiative contributions.

Conference substitute

Adopts the House amendment.

SECTION 703. AMENDMENT TO DEFINITION OF EXPENDITURE

Senate bill

No similar provision.

House amendment

Amends the definition of "expenditure" under the Act to exclude ballot initiative expenditures.

Conference substitute

Adopts the House provision.

SECTION 704. ORGANIZATION OF BALLOT INITIATIVE COMMITTEES

Senate bill

No similar provision.

House amendment

Amends provisions of the Act pertaining to the organization of political committees to make them applicable to ballot initiative political committees.

Conference substitute

Adopts the House amendment.

SECTION 705. BALLOT INITIATIVE COMMITTEE REPORTING REQUIREMENTS

Senate bill

No similar provision.

House amendment

Amends provisions of the Act pertaining to political committee reporting requirements to make them applicable to ballot initiative political committees.

Conference substitute

Adopts the House amendment.

SECTION 706. ENFORCEMENT AMENDMENT.

Senate bill

No similar provision.

House amendment

Provides that the civil penalties of the Act shall apply to the organizational, record-keeping and reporting requirements of a ballot initiative political committee.

Conference substitute

Adopts the House provision.

SECTION 707. PROHIBITION OF CONTRIBUTIONS IN THE NAME OF ANOTHER.

Senate bill

No similar provision.

House amendment

Provides that no person shall make a ballot initiative political contribution in the name of another person, and that no person shall knowingly accept a ballot initiative political committee contribution made by one person in the name of another.

Conference substitute

Adopts the House amendment.

SECTION 708. LIMITATION ON CONTRIBUTION OF CURRENCY

Senate bill

No similar provision.

House amendment

Provides that no person shall make a ballot initiative contributions of currency which, in the aggregate, exceed \$100.

Conference substitute

Adopts the House amendment.

TITLE VIII—MISCELLANEOUS

SECTION 801. PROHIBITION OF LEADERSHIP COMMITTEES

Senate bill

Section 401 prohibits Federal candidates or officeholders from establishing, maintaining, or controlling a political committee, other than an authorized candidate committee or party committee.

House amendment

Section 601 prohibits a candidate for Federal office from establishing, maintaining or controlling any political committee other than a principal campaign committee, authorized committee, party committee, or joint fundraising committee. One year after the effective date of this Act, leadership committees must have disposed of their funds by giving them to charity, to the Treasury, to political parties, or to candidates subject to a \$1,000 limitation per candidate.

Conference substitute

Adopts House amendment with modification to apply prohibition to a Federal officeholder as in Senate bill.

SECTION 802. POLLING DATA CONTRIBUTED TO CANDIDATES

Senate bill

Section 402 provides that contributions of polling data to Senate candidates be valued at fair market value on the date of the poll's completion, and depreciated at a rate of no more than 1% a day from the completion to the transmittal of the data.

House amendment

No similar provision.

Conference substitute

Adopts Senate provision applicable to all Federal candidates.

SECTION 803. DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND

Senate bill

Section 406 establishes that in order for general election candidates for President to

be eligible to receive public financing they must agree in writing to participate in at least 4 debates; candidates for Vice President must participate in at least 1 debate. If the Commission determines that such candidates have failed to participate in a debate, the candidate shall be ineligible to receive payments from the Presidential Election Campaign Fund and pay to the Treasury an amount equal to the amount of payments made.

House amendment

No similar provision.

Conference substitute

Adopts Senate provision.

SECTION 804. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS

Senate bill

Section 410 of the Senate bill sought to curb the influence of foreign nationals in the U.S. electoral process, beginning with a statement of Congress' intent that such participation is to be prohibited. It amended section 319 of the Act, extending the prohibition on contributions by foreign nationals to cover any influence in directing, dictating, controlling, or participating in (even indirectly) any persons' or committee's decision making concerning contributions or expenditures in any election. It further required political action committees to state in solicitations that foreign nationals may not contribute and to certify to the FEC that foreign nationals did not participate in any decision making.

House amendment

Section 603 of the House bill amended section 319 of the Act to extend the prohibition on contributions by foreign nationals to cover any influence in directing, dictating, controlling, or participating in any person's election-related activities, such as making contributions or administering a political action committee.

Conference substitute

The conference substitute includes the House provision prohibiting influence by foreign nationals in any person's or committee's decisions regarding contributions and expenditures. It also includes the Senate solicitation requirement for PACs, but it deletes the Senate bill's FEC certification requirement and its statement of findings. It was felt that the conference substitute will adequately protect the political process from undue foreign influence, such as that perceived by some in a time of foreign ownership of many American corporations, while still safeguarding the political rights of employees of such businesses.

SECTION 805. AMENDMENT TO FECA SECTION 316

Senate bill

No provision.

House amendment

Permits union and corporate expenditures for candidate appearances, debates and voter guides as exempt from prohibition on corporate and union contributions and expenditures in Federal elections if certain conditions are met that are intended to assure that there is no express advocacy or favoritism through the structure or format of the activity.

Conference substitute

Adopts House amendment.

SECTION 806. TELEPHONE VOTING BY PERSONS WITH DISABILITIES

Senate bill

Section 501 requires the Commission to conduct a feasibility study on the develop-

ment of telephonic voting for persons with disabilities. This would not supersede or supplant efforts by State or local officials from making polling places physically accessible to persons with disabilities. The Commission is required to file a report to the Congress within one year following the enactment of this Act.

House amendment

No similar provision.

Conference substitute

Adopts Senate bill provision.

SECTION 807. PROHIBITION OF USE OF GOVERNMENT AIRCRAFT IN CONNECTION WITH ELECTIONS FOR FEDERAL OFFICE

Senate bill

No provision.

House amendment

Provision would limit use of government aircraft in connection with a Federal election to the President and Vice President, and require that the government be reimbursed for actual cost of that portion of the use allocable to political activities and require full disclosure of the costs and the amount paid.

Conference substitute

Adopts the House provision.

SECTION 808. SENSE OF THE CONGRESS

Senate bill

No provision.

House amendment

Section 1301 of the House bill stated the sense of the Congress that it should consider legislation to provide for a constitutional amendment providing for limitations on Federal election expenditures. This was intended to allow Congress greater latitude in this area, in view of the restrictions imposed by the Supreme Court's 1976 ruling in *Buckley v. Valeo*.

Conference substitute

Adopts the House provision.

TITLE IX—EFFECTIVE DATES; AUTHORIZATIONS

SECTION 901. EFFECTIVE DATE

Senate bill

Provides that the Act, except as specifically provided elsewhere, should take effect on the date of enactment of the Act, but should not apply to any activities in connection with any election occurring before January 1, 1993.

House amendment

Similar provision.

Conference substitute

Conference agreement provides the Act, except as specifically provided elsewhere, should take effect on the date of enactment of the Act, but should not apply to any activities in connection with any election occurring before January 1, 1993. Moreover, the conferees have adopted section 902 which supersedes language in S. 3 and the House amendment that enacted various effective dates that were contingent upon different funding mechanisms. The approach of the Conference agreement establishes that the effective date of the provisions of the Act is the latter of Section 901 or the date of enactment of subsequent legislation as specified in Section 902.

SECTION 902. BUDGET NEUTRALITY

Senate bill

The Senate bill included Senate Amendment 244 which expressed the "Sense of the Senate" that funding for any benefits to candidates provided under the legislation is to be derived from removing the subsidy for po-

litical action committees with regard to their contributions and for other organizations with regard to their lobbying activities. The latter envisioned curtailing section 162(e) of the Internal Revenue Code, allowing for a deduction against federal income tax liability of certain expenses to lobby the federal government for changes in federal laws and regulations. Under the Senate's construction, deductions would be denied to businesses for amounts incurred directly or paid to lobbying firms for a purpose other than that which would have direct impact on the business of that person. Lobbying firms could continue to deduct expenses incurred in representing clients before the Congress and Federal agencies. The Joint Committee on Taxation provided an estimate that enactment of this provision would raise federal budget receipts by \$500 million over the Fiscal Year 1992 to 1996 period.

It was also the Sense of the Senate that benefits would not be paid for by increasing revenues, reducing federal programs, or in any way increasing the federal budget deficit.

Moreover, section 101 of the Senate bill stated that, with regard to the broadcast vouchers provided to participating Senate candidates, funding was to be derived from voluntary contributions by citizens and groups, tax checkoff donations which do not stem from any tax liability (such as under the Presidential Election Campaign Fund's checkoff), or from persons and organizations made in connection with election activities.

House amendment

Title III of the House bill provides that estimates of the costs under Section 252 of the Balanced Budget and Emergency Deficit Control Act ("Deficit Control Act") will not immediately be counted towards the pay-as-you-go scorecard for sequestration purposes for Fiscal Year 1992. Instead, by January 1, 1993, all net costs of the bill must be fully offset by provisions to either raise revenues or reduce spending. Because the bill does not obligate expenditures, in terms of providing benefits to eligible candidates, until the second quarter of Fiscal Year 1994 at the earliest, the cost estimates required under Section 252 of the Deficit Control Act must be offset by savings that accrue from provisions to raise revenues or reduce spending for both Fiscal Years 1994 and 1995.

Moreover, the House amendment specified that if the following conditions have not been met by January 1, 1993, then the provisions of the Title VII relating to excess funds of incumbents, section 201 relating to the limitations on political committee and large donor contributions, and sections 504 through 509 relating to provision of matching payments and establishment of a Make Democracy Work Fund do not become effective: provisions creating incentives for individuals to make voluntary contributions to the candidate of their choice and for individuals or organizations to make voluntary contributions to the Make Democracy Work Fund.

Under the parameters of Title III of the House amendment, no revenue measure is implemented. The amendment establishes a Make Democracy Work Fund as the account to provide funds for matching payments pursuant to section 504 and to offset initial costs assumed by the Commission in the increased computerization of reporting requirements. The Make Democracy Work Fund is a Treasury account as specified under section 504(e), but the Committee on House Administration recommended that this account could be administered by a non-

governmental organization similar in structure to the "Points of Light Foundation Act" or the National Endowment for Democracy. The Committee further believes that the Make Democracy Work Fund could be entirely funded by voluntary private contributions by individuals or organizations subject to the long-standing principles underlying contributions to federal elections. Moreover, other avenues of investigation should include the addition of provisions for federal income tax purposes whereby taxpayers could voluntarily increase their tax liability and direct such sums to the Make Democracy Work Fund.

Conference substitute

The Conference agreement does not provide for any source of funds to pay for the benefits contemplated under Title I. Since the conference vehicle is a Senate bill, it would violate Article I, Section 7 of the United States Constitution which requires that all bills which affect revenues must originate in the U.S. House of Representatives. Consequently, the Conferees have omitted any statutory language linking the established or administration of any account to the United States Government.

The Conferees have adopted the authorization approach of title III of the House amendment. Section 902 of the Agreement specifies that none of the provisions of the conference agreement shall be effective until the Congress enacts subsequent legislation effectuating this Act. This provision prohibits any estimated costs of the bill from being counted towards the pay-as-go scorecard for sequestration purposes. Furthermore, the conferees intend that this provision creates an open-ended authorization framework for campaign finance reform. And that designating the source of financing is an issue to be decided in subsequent legislation.

The Conference agreement also provides for a Sense of the Congress resolution that subsequent legislation effectuating this act shall not provide for any general revenue increase, reduce expenditures for an existing federal program, or increase the federal budget deficit. The Conferees believe that this Sense of the Congress approach best reflects the desire of both Houses to avoid the commitment of public resources to financing any part of Congressional campaigns.

SECTION 903. SEVERABILITY

Senate bill

The Senate bill provides that if any parts of S. 3, other than the spending limits and public benefits section, are held invalid, other parts of the Act are unaffected. However, if the spending limits and public benefits section was held invalid, the rest of the bill would also be invalid.

House amendment

The House amendment provides that if any part of the spending and contribution limits, matching funds, and reduced mail rates are held invalid, all of the political action committee and large donor limits are also held invalid.

Conference substitute

In an effort of avoid enacting piecemeal legislation, the Conference agreement provides that if key sections of in the Spending Limits and Benefits section (section 101) are held invalid, or any section of the House amendment aggregate limit on political action committee and large donor contributions (section 122) are held invalid, the entire bill is invalid. However, if any other parts of the bill are held invalid other provisions remain intact.

CHARLIE ROSE,
SAM GEJDENSON,
RICHARD GEPHARDT,
AL SWIFT,
LEON E. PANETTA,
MIKE SYNAR,
GERALD D. KLECZKA.

For consideration of sections 103 and 202 of the Senate bill, section 802 of the House amendment, and modifications committed to conference:

EDWARD J. MARKEY.

For consideration of sections 104, 404, 409, and 411 of the Senate bill, section 103 of the House amendment, and modifications committed to conference:

W.L. CLAY, FRANK
McCLOSKEY.

Managers on the Part of the House.

WENDELL H. FORD,
DAVID L. BOREN,
GEORGE MITCHELL.

Managers on the Part of the Senate.

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order on today.

The SPEAKER pro tempore. (Mr. HAYES of Illinois.) Is there objection to the request of the gentleman from New York?

There was no objection.

A REVIEW OF THE STATE OF LIBRARIES IN THE NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, my special order today relates to libraries of the Nation. As is the custom each year, I take time to review and summarize the state of libraries in the Nation during National Library Week.

It has been my custom in the past that I also begin the discussion by reading a letter from the President with respect to the declaration of National Library Week, and I will do that again this year, from the President, the White House—

Henry David Thoreau rightly observed that books are the treasured wealth of the world and the fit inheritance of generations and nations. Indeed, when we unlock these wonderful stories of knowledge, creativity and wisdom, we enrich our minds and often our hearts as well. For example, reading enables us to transcend time and space, giving us means to explore the past or the vast frontiers of science. Reading can also broaden our sympathy by helping us to understand the experiences of persons from different backgrounds.

And I continue to quote the President:

In addition to providing us with access to books, our Nation's libraries also offer access to information and ideas through a wide range of periodicals, audio and videotapes, electronic data bases and educational and re-

search services. Whether helping children to learn how to read or supporting adult literacy programs, librarians play a great role in making America a nation of students which is one of our national education goals. Because an educated and informed public is the lifeblood of democracy, librarians also help to preserve our Nation's great experiment in liberty and self-government.

And I continue to quote the President:

For all of these reasons, I am pleased to join with the American Library Association in celebrating National Library Week. Barbara and I encourage all Americans to visit their local library and to exercise their right to know.

The letter is signed by George Bush.

Mr. Speaker, I am including the letter in its entirety in the RECORD.

Mr. Speaker, I always begin by reading the President's statement on National Library Week, because I would like for all of the librarians in the Nation to know, and I would like for all of the people who use libraries, whether they use school libraries, public libraries, special libraries, college libraries, I would like for them all to know that this administration understands the value of libraries. They understand that libraries are at the heart of the education process. They understand that.

I want everybody to know that they understand it, because the contrast between their understanding and what the President says in his letters and the actions that are taken by this administration are, indeed, appalling. There is a great gap between words and actions when it comes to libraries.

Indeed, this President, this administration, is not as bad as the last administration. For 8 years, the previous administration placed zero in the budget, zero dollars in the budget for aid to libraries from the Federal Government. This administration has not been quite as bad. But it is almost as bad.

This administration, despite its flowery words about libraries, placed \$35 million in the budget for aid to libraries under the Library Services and Construction Act. The Library Services and Construction Act is the primary vehicle for providing aid to public libraries and various other projects related to public library service. \$35 million, that is down from what the present appropriation is. The present appropriation for the Library Services and Construction Act is \$132 million. \$132 million is the present appropriation, and that is totally inadequate. That is the only Federal aid directly to public libraries.

The American Library Association is asking for \$207 million. Contrast what the President put in the budget, \$35 million, with the request of the American Library Association for \$207 million.

Even the \$207 million is a very moderate request. Consider for a moment the fact that \$207 million to aid all of

the libraries throughout the entire 50 States, the entire Nation, \$207 million, consider what that means in terms of modern costs. Just compare for a moment the fact that \$207 million, if that were granted, would not even be one-third of the cost of a B-1 bomber. A B-1 bomber is estimated to cost now about \$700 million. So \$207 million would not even be one-third the cost of one B-1 bomber.

When you consider the fact that the cold war is over, the evil empire of the Soviet Union has been defeated, you might ask yourself the question: Why are we continuing to build Seawolf submarines? Seawolf submarines cost \$2 billion, \$2 billion, and we are continuing to build weapons that could fund the Library Services and Construction Act for 10 years.

Consider how paltry the sum of money is that is being proposed by the administration or how small the sum of money we are requesting is a moderate request for the needs of libraries.

I would like to continue by beginning to show again that the administration has a great gap between its words and its deeds. As we all know, the administration is proposing a set of programs for rescissions. A rescission means that they will take back money that has already been put in the budget. The administration has the right to come to the Congress and recommend rescissions, that we not spend the money for programs that have already been appropriated.

□ 1450

I was shocked to find that under consideration at present, they have not offered the list yet, but the second list is on its way, I understand, and under consideration are several programs relating to libraries. Library programs of tiny amounts of money are being called pork barrel projects, pork barrel.

Mr. Speaker, I think that the very fact that the term pork barrel could be applied to tiny, very sparsely funded library programs, is an indication of the depth to which common sense has fallen in this city. There obviously is no common sense, no decency anymore in terms of terminology when you call public library programs and other programs funded for libraries programs that are pork barrel programs; but there is a rescission list which includes library programs. The administration has begun proposing certain fiscal year 1992 program projects for rescission, and 68 rescission requests have already been sent to Congress, and no library education projects are included in the first 68, but the library programs are on the second list.

Mr. Speaker, to continue with my special order on libraries, I was noting the fact that the administration, which by its letter shows that it recognizes the importance of libraries, nevertheless by its actions on the budget is

demonstrating a lack of concern, a lack of really understanding the role that libraries play in the educational process. We are at an hour now where education is on the list of everybody in Washington. We have heard of America 2000 and the President's strategy for improving education and numerous proposals for improving education.

We have six goals that we are trying to meet. All those goals require that libraries be involved; nevertheless, the same administration that proposes the six goals and so many other forward movements on education, is recommending to cut libraries.

On the hit list for libraries is the LSCA-5 program. This is the Library Services and Construction Act Title 5 Program, which provides direct competitive discretionary grants to State and public libraries for the acquisition of foreign language materials. Foreign language materials become very important as we move into a new world order where the obvious global coming together will take place at a faster rate. Without the evil empire, without the competition between communism and capitalism, it is likely that we are going to have a speedier rate of interaction between cultures and nations. Foreign languages have become far more important than they have in the past, not just to people in universities and colleges, but there should be a lot of distribution of foreign language books in general.

Only a small amount of money is involved. We are talking about 32 States requesting a total of about \$4 billion. That is on the hit list as a pork barrel project.

The Higher Education Act, title 6, section 607, which also deals with international and foreign language studies, that is on the proposed hit list of pork barrel projects.

It is unfortunate that at a time when the term "new world order" has been coined by the President and by this administration, we are taking steps backward from our preparation for the new world order merely by understanding languages and cultures of various nations throughout the globe.

Mr. Speaker, I ask unanimous consent to enter the entire text of this piece entitled "Library Programs May Be Proposed For Rescission" into the RECORD.

The SPEAKER pro tempore. (Mr. HAYES of Illinois). Is there objection to the request of the gentleman from New York?

There was no objection.

The article above referred to is as follows:

[ALA Washington Office Fact Sheet]
LIBRARY PROGRAMS MAY BE PROPOSED FOR
RESCISSION
BACKGROUND

The Administration has begun proposing certain FY 1992 "pork barrel" projects for rescission. Some 68 rescission requests have al-

ready been sent to Congress with a recommendation to defund a variety of already funded projects which had no peer review. No library or education projects are included in the rescission requests pending as of April 2.

LIBRARIES ON HIT LIST?

Indications are that the Administration's broader "universal list" of possible future rescission requests includes two small library grant programs—the Library Services and Construction Act title V for the acquisition by state and local public libraries of foreign language materials; and the Higher Education Act title VI section 607 program for the acquisition and sharing by research libraries of periodicals published outside the United States. Other funded library programs which have been proposed for elimination in Administration budgets may also be included on the "universal list."

LSCA V

The LSCA V program provides direct competitive discretionary grants to state and public libraries for the acquisition of foreign language materials. Such materials require special effort and extra cost to identify, purchase, process, and service, but libraries need them to serve our increasingly diverse population. Large numbers of recent immigrants speaking dozens of foreign languages require native language materials geared to both children and adults for recreation, education, and life-coping skills.

Through initial FY91 funding of \$976,000, LSCA V grants went to 31 libraries in 13 states from Alabama to Alaska. Under the FY92 appropriation of \$976,000, 131 applications from libraries in 32 states are pending, requesting a total of more than \$4 million. Are these libraries to be told they have invested precious time and scarce resources in vain because of a possible rescission?

HEA VI SEC. 607

The HEA VI international and foreign language studies program includes in part A, sec. 607, a program of direct competitive discretionary grants to research libraries for the acquisition of periodicals published outside the United States. Recipients are institutions of higher education or libraries or consortia which have appropriate collection strengths and a commitment to share their resources.

Funded for the first time in FY92 at \$500,000, sec. 607 responds to a double crisis. First, a dramatically changing political, social, and economic international landscape has generated renewed demands for emphasis on international research and education in order to regain a competitive edge for this country. U.S. researchers must have access through their libraries to the latest research findings from around the globe.

Second, foreign periodicals are among the most expensive materials for libraries to acquire, a condition magnified by the decline of the dollar on international currency markets. The average periodical price is now close to \$150 per title; costs have risen 72 percent in only five years. The number of periodical titles purchased by major research libraries has declined by one percent per year despite the fact that periodicals now account for more than three of every five dollars spent for on-campus materials in the average research library.

CONCLUSION

All LSCA and HEA library programs administered by the Department of Education are effective, stimulative, and competitive. Library programs are not "pork," and would be highly inappropriate candidates for rescission.

Mr. Speaker, I have a special sympathy and understanding of libraries because I happen to be a librarian by profession, the only librarian in the Congress. I welcome my colleagues today who have submitted various items for this special order. Each year we have a number of Congressmen, my colleagues, who do join me in taking note of the fact that libraries make a great contribution to our society and our Nation at a very low cost. Libraries are probably the best bargain we have on the educational shelf. For the small amount of money we spend on libraries, we get a tremendous return.

Public libraries throughout the United States are now facing the worst financial crisis since the Great Depression. Public library systems around the Nation are reeling from extensive budget cuts, forcing branch closing, layoffs, reductions in hours, and a dramatic curtailing of new books in serial acquisition. This crisis is in some respects even worse than that of the Depression, because during the Depression not one public library was forced to close its doors, but today libraries are closing their doors all over the Nation.

In north New Jersey, for example, a \$1.2 million budget cut has forced the Newark Public Library to shut down three branches, to eliminate all Sunday hours, and to close the entire library system on the first Monday of every month.

In my home borough of Brooklyn in New York City—Brooklyn has one of the finest public libraries in the Nation, probably in the world—but 46 of the Brooklyn Public Library's 58 branches are now only open 2 to 3 days a week. The remaining 12 branches are open only 5 days a week and the central library, which used to be open all 7 days a week, is now open only 6 days.

In Brooklyn, 120 librarians and support personnel have been laid off. This is at a time when we are talking about the need for the improvement of education in America. We have six goals. We are looking forward to the year 2000 when America will be first in education, when our students will be world class students, our schools will be world class schools. We cannot accomplish this if we are so callously treating our libraries.

The case in Chicago, just as it was at the opening of the largest public library in the world in Chicago, budget cuts forced the Chicago Public Library to reduce hours for 80 of its branches and lay off 100 personnel.

As you know, Mr. Speaker, Chicago recently opened its new main branch of the central library, which is the largest public library in the world, and at the same time they were opening that magnificent facility, they were forced to reduce hours at 80 of the branches and lay off 100 of their personnel.

Public library funding is really the smallest part of our national education budget. On the one hand, it is the smallest part of our national education budget; on the other hand, it serves more people than any other educational institution we have.

Think of the fact that every American has access to public libraries from school, or the cradle, all the way to the grave. Preschool children, kindergarten children, elementary and secondary students, high school students, college students, senior citizens, people who are studying to continue their education, everybody has access to libraries. For the small amounts of money we put in, we could provide an educational opportunity to learn for the greatest number of people.

We spend \$213 billion on our elementary and secondary education system, and we educate about 40 million young people nationwide.

We spend \$140 billion on our system of higher education and we educate about 13 million students, but we spend only—and when I say spend, I mean the total of all governments combined, the local government, the State government and the Federal Government, the Federal Government spends very little of the proportion—but the total expenditures for libraries from all three branches of government is only about \$4 billion to support public library services nationwide.

The current estimates are that 120 million adult Americans regularly use the library services. There are 120 million who regularly use the services that are available to every American who wants to use them.

The \$4 billion we spend every year on public libraries is about the same that we spend as a Nation to go to the movies every year or to purchase sneakers and athletic shoes. It is just 10 percent of the amount we spend on tobacco products. That \$4 billion spent for libraries is just 10 percent of the amount we spend for cigarettes, cigars, and other tobacco products every year.

The \$4 billion that is spent—again I am talking about all three branches of government, spent by the local government as well as the State and the Federal Government—that \$4 billion if added up would be the equivalent of only 10 Army Apache helicopters.

□ 1500

The Army has more than 500 Apache helicopters. What we spend on libraries would be about 10 Apache helicopters.

Looked at another way, according to the General Accounting Office, the Department of Defense now has about \$28 billion in excess aircraft spare parts, aircraft spare parts that the Department of Defense cannot use any time in the foreseeable future. We could have run our public library system for 7 years with the amount of money that the Department of Defense spent on aircraft parts that it cannot use.

You want to understand where waste is in Government? You want to understand where the real scandal in Washington is, how ridiculous it is when we begin to appropriate money for education for social programs, how ridiculous our discussions are? Then look at the fact that we are spending \$28 billion from the Department of Defense to take care of excess aircraft spare parts, spare parts that we will never be able to use.

The Federal Government contributes, of this \$1 billion that I talked about, the Federal Government contributes about 1 percent of the total of public library funds. The Federal Government contributes only about 1 percent of library funding.

It does not do much better in the area of elementary and secondary education. In the area of elementary and secondary education, we contribute, from the Federal Government, only about 6 percent of elementary and secondary education funding. Local school districts and States fund most of the budget of our schools.

In the area of higher education, colleges and universities, the Federal Government traditionally has been more active there and had a history of support for higher education. The Federal Government spends about 15 percent of the costs for higher education.

Still, most of the costs for higher education come from States and local governments and, of course, from the private sector since we have the finest private universities and colleges in the world.

But even this small amount that the Federal Government is spending for education, including the 1 percent for libraries, is critical; it is critical that the Federal Government continues to spend this amount and do more because it has been directed to making the critical improvements in library services which would not otherwise be possible.

Federal funding over the last 20 years has helped public libraries to initiate special programming for children, for senior citizens, for immigrants, for people with disabilities, and for other innovative services.

Federal funding of public libraries has helped to expand public access to library services through bookmobile services, interlibrary loans, electronic networking, and the renovation and construction of new library facilities.

Unfortunately, the Bush administration is determined to wipe out even this small amount of Federal funding. I have already indicated how they are proposing to cut the present funding that comes from the Federal Government, from the paltry sum of \$132 million down to \$35 million.

Mr. Speaker, I would like to just sum up again that this administration has all the right words. I would like to state again that they have the right words. They understand how important libraries are.

Let me quote from President Bush:

America 2000 calls for a revolution in American education. Libraries and information services stand at the center of this revolution. And today our more than 15,000 public libraries serve nearly 70 percent of our population. They loan 1.3 billion items each year, and they use less than 1 percent of our tax dollars. I think you will agree that is quite a bargain. Our libraries serve as school rooms for lifetime learning and the launching pads for our future.

That was the President.

Now, the Secretary of Education, Lamar Alexander, also knows the right words, on the other hand offers very little support.

I quote the Secretary of Education:

There is no part of American education that is more central to a community's moving toward the national education goals. We need the people's universities, our libraries at the center of that revolution, helping America community by community to reach its potential.

Mr. Speaker, both of these last two quotes, one from the President and one from the Secretary of Education, were quotes taken from the White House Conference on Libraries, which was held last July, 1991.

Mr. Speaker, I would like to enter into the RECORD a number of important

facts summarizing the state of libraries in our Nation today.

There is a document entitled "The Status of Major Library-Related Legislation Active This Month," which gives us a rundown as of April 3, 1992, the items that were in process either in committees, in the House of Representatives or in the Senate. Each item related to libraries in some way.

Mr. Speaker, I enter that in its entirety, "The Status of Major Library-Related Legislation Active This Month."

STATUS OF MAJOR LIBRARY-RELATED LEGISLATION ACTIVE THIS MONTH

As of April 3, 1992		House	Senate
Library Program Appropriations: Despite a speech to the White House Conference calling libraries central to his educational reform initiatives, President Bush proposes to reduce LSCA and HEA library program funding by 76%, from \$147.7m in FY92 to \$35m in FY93; to fund only one program, LSCA I; and to fund only one LSCA I purpose, adult literacy activities.		L-HHS-ED Appropriations Subcommittee hearings underway.	L-HHS-ED Appropriations Subcommittee hearings underway.
Possible Rescissions: The Administration has begun proposing certain FY92 "pork barrel" projects for rescission or defunding. The Administration's "universal list" of possible future rescission requests includes two small library grant programs—LSCA V for public library acquisition of foreign language materials, and HEA VI sec. 607 research library acquisition and sharing of foreign periodicals. The "universal list" may also include other funded library programs the Administration has tried to eliminate. Library programs are effective and competitive; they are not "pork," and would be highly inappropriate on such a rescission list.		Early warning only—Not currently pending but may be (inappropriately) proposed.	Early warning only—Not currently pending but may be (inappropriately) proposed.
LSCA II Funds in Emergency Funding Bills: Three economic stimulus bills include new funding for LSCA II public library construction and renovation projects. H.R. 4416, introduced in March by Appropriations Committee Chairman Whitten and 29 Democratic cosponsors, includes \$50m for LSCA II. S. 2137 (Sens. Kennedy and Wellstone) and S. 2293 (Sen. Riegle) each include \$60m for LSCA II.		H.R. 4416 Pending in Appropriations Committee.	S. 2137, S. 2293 No action to date.
Congressional Budget Activity: The House-passed congressional budget plan assumes a freeze level for the education and training wedge of the budget pie. A more favorable House option would have over \$4b for education and Head Start, but was predicated on removal of the budget "walls" separating defense, domestic, and international spending. However, both House and Senate failed to approve measures allowing defense spending cuts to be used for domestic programs.		H. Con. Res. 287 passed; H.R. 3732 defeated.	Budget Committee markup began April 2; S. 2399 postponed after move to close debate failed.
ESEA Chapter 2 School Block Grant: School block grant includes school library resources and librarian training among 7 targeted purposes. Administration requests \$465.2m, a 2% cut, and proposes that 50% of funds be used to promote educational choice programs.		L-HHS-ED Appropriations Subcommittee hearings underway.	L-HHS-ED Appropriations Subcommittee hearings underway.
Postal Revenue Forgone: Administration request of \$121.9m is \$360m short of amount USPS estimates is needed to keep preferred rates for schools, libraries, etc. at current levels. Admin. proposals to narrow eligibility would, for instance, preclude most public library use of 3rd-class nonprofit mail as a non-school use.		Treasury, Postal Service Appropriations Subcommittee hearings underway.	Treasury, Postal Service Appropriations Subcommittee hearings underway.
Government Printing Office: GPO SubOeds needs full budget request of \$30.9m to support distribution to depository libraries in every congressional district, especially 1990 census materials and electronic government information.		Legislative Appropriations Subcommittee hearings completed.	Legislative Branch Appropriations Subcommittee hearings completed.
Library of Congress: LC needs full budget request of \$357.5m. Of the 9% increase, 3% is for maintaining current services to Congress, the nation's libraries, and scholars. Other needs are for increased space to maintain and preserve the growing collections, provide ergonomically correct work stations, and improve sci/tech information services.		Legislative Appropriations Subcommittee hearings completed.	Legislative Branch Appropriations Subcommittee hearings completed.
National Agricultural Library: Administration requests \$1.8m, a 1.7% increase. Elaine Albright, University of Maine, representing the U.S. Agricultural Information Network, is scheduled to testify in support of the NAL budget on April 7 before the House Appropriations Subcommittee on Rural Development, Agriculture, and Related Agencies.		Elaine Albright testifies April 7 at 2:30 pm, Rayburn House Office Building Rm. 2362.	Agriculture Appropriations Subcommittee hearings underway.
National Library of Medicine, Medical Library Assistance Act: Administration requests \$108.7m, of which \$15.2m is for MLAA		L-HHS-ED Appropriations Subcommittee hearings underway.	L-HHS-ED Appropriations Subcommittee hearings underway.
National Archives, National Historical Publications and Records Commission: Administration requests \$165m, including \$4m for NHPRC, \$1.4M below current level. \$10m is needed for NHPRC grants, which should be added to the National Archives total.		Treasury, Postal, General Government Appropriations Subcommittee hearings underway.	Treasury, Postal, General Government Appropriations Subcommittee hearings underway.
National Endowment for the Humanities: Administration requests \$187m, a 6.3% increase. The \$18m included for the brittle books initiative is short of NEH's own 5-yr. plan which calls for \$20.3m in FY93. Humanities Projects in Libraries would be level-funded at \$2,750,000; at least \$3m is needed.		Interior Appropriations Subcommittee hearings underway.	Interior Appropriations Subcommittee hearings underway.
Higher Education Act Reauthorization: Both House and Senate HEA bills include library groups and higher education associations. Education Subcommittee conferees on these bills are urged to support: (1) the House bill's more adequate authorization levels for existing HEA II programs (\$75m compared with \$32.5m); (2) the House authorization of \$25m for a new HEA II program to strengthen libraries and library education programs at historically black colleges and universities (as recommended by White House Conference delegates); (3) the House authorization of \$8.5m for HEA VI sec. 607, acquisition and sharing of foreign research materials (compared with the Senate level of \$1m), but without the House limitation of only 8 grants per year; and (4) the Senate authorization of \$400m for improvement of academic and library facilities under HEA VII-A.		H.R. 3553 Passed 365-3 on March 26; Crane (IL), Doolittle (CA), Stump (AZ) voted no.	S. 1150 Passed 93-1 on February 21; Helms (NC) voted no.
GPO WINDO: Government Printing Office Wide Information Network Data Online Act would establish online access to public government information through GPO. The GPO WINDO would be a single account, one-stop-shopping way to access and query federal databases, complementing other agency dissemination efforts. Information would be priced for most subscribers at approximately the incremental cost of dissemination; and provided without charge through the depository library program. Introduced by Rep. Charlie Rose (NC) with cosponsors Owens (NY), Rahall, Ritter, Matsui, Penny, Kopetski, Evans, Bacchus, Vucanovich, Sanders, and Fazio.		H.R. 2772 Hearings planned this session by House Administration Committee.	No comparable bill as yet.

Mr. OWENS of New York. Mr. Speaker, I enter into the RECORD at this time an item entitled "Summary of Amer-

ican Library Association Appropriations Recommendations for Fiscal Year 1993, Labor-Health and Human Services-Education Appropriations."

SUMMARY OF AMERICAN LIBRARY ASSOCIATION APPROPRIATIONS RECOMMENDATIONS FOR FISCAL YEAR 1993 LABOR-HEALTH AND HUMAN SERVICES-EDUCATION APPROPRIATIONS

Library programs	Fiscal year—				
	1991 Appropriation	1992 Appropriation	1993 Authorization	1993 administration request	1993 ALA recommendation
Library Services and Construction Act	\$132,163,000	\$129,663,000	Such sums	\$35,000,000	\$207,500,000
Title I, Public Library Services	83,898,000	83,898,000	do	\$35,000,000	100,000,000
Title II, Public Library Construction	19,218,000	16,718,000	do	0	55,000,000
Title III, Interlibrary Cooperation	19,908,000	19,908,000	do	0	35,000,000
Title IV, Indian Libraries					
Title V, Foreign Language Materials	976,000	976,000	Such sums	0	1,000,000
Title VI, Library Literacy	8,163,000	8,163,000	do	0	10,000,000
Title VII, Evaluation and Assessment	0	0	do	0	500,000
Title VIII, Library Learning Center Programs	0	0	do	0	6,000,000
Higher Education Act Library Programs	10,735,000	18,084,000	Needs new authority	0	\$24,000,000
Title II-B, Training and Research	976,000	5,325,000	do	0	6,000,000
Title II-C, Research Libraries	5,855,000	5,855,000	do	0	10,000,000
Title II-D, Technology	3,904,000	6,404,000	do	0	7,000,000
Title VI, section 607 Foreign Periodicals	0	500,000	do	0	1,000,000
Hawkins/Stafford Elementary/Secondary School Improvement Act, ESEA Chapter 2 ⁷	469,408,000	474,600,000	\$706,000,000	465,220,000	500,000,000

SUMMARY OF AMERICAN LIBRARY ASSOCIATION APPROPRIATIONS RECOMMENDATIONS FOR FISCAL YEAR 1993 LABOR-HEALTH AND HUMAN SERVICES-EDUCATION APPROPRIATIONS—

Continued

Library programs	Fiscal year—				
	1991 Appropriation	1992 Appropriation	1993 Authorization	1993 administration request	1993 ALA recommendation
National Commission on Libraries and Info. Science	732,000	831,000	Such sums	1,000,000	1,000,000
National Center for Education Statistics (including library surveys)	63,524,000	77,213,000	do	128,400,000	128,400,000
National Library of Medicine (including Medical Library Assistance Act)	91,408,000	100,303,000	42 U.S.C. 275	108,662,000	108,662,000

¹ For LSCA, ALA recommends amounts authorized for fiscal year 1990 in Public Law 101-254, signed March 15, 1990.

² Proposed to be used only for adult literacy activities.

³ Funded at 2% of appropriations for LSCA I, II, and III.

⁴ Under Public Law 101-254, no appropriation may be made for LSCA VIII unless the total for LSCA I, II, and III is at least equal to the previous year's total plus 4 percent. (ALA's first priority for LSCA funding is restoration of LSCA programs currently funded.)

⁵ ALA recommends amounts authorized for fiscal year 1987 for HEA II-C and HEA VI, section 607; and modest increases for HEA II-B and II-D.

⁶ Part of a proposed consolidation of several graduate fellowship programs with Secretary setting priorities for each year.

⁷ The targeted uses of Chapter 2 funds include school library resources and training of librarians.

Mr. Speaker, in this summary there is a recommendation for \$207,500,000 for library services and construction, along with other recommendations that are very important.

Mr. Speaker, I have another document entitled "What the States Would Lose," in terms of public library services, "What the States Would Lose," in terms of public library construction and technology enhancement, and "What the States Would Lose" in interlibrary cooperation and resource sharing. I enter those three documents into the RECORD.

[ALA Washington Office Fact Sheet—Library Services and Construction Act Title I]

WHAT THE STATES WOULD LOSE PUBLIC LIBRARY SERVICES

Purpose: Grants to the states to extend and improve public library services to geographic areas or groups of persons for whom current service is inadequate, and to assist libraries "in making effective use of technology to improve library and information services." When appropriations exceed \$60 million, a portion of the additional funds is earmarked for urban libraries.

Appropriation fiscal year 1992	\$83,898,000
Admin. Budget Request fiscal year 1993	35,000,000
ALA Recommendation fiscal year 1993	100,000,000

Impact of the Administration's Budget: The wide array of library activities supported through title I priorities would be narrowed into one use—adult literacy. The budget would eliminate any flexibility in program activities (e.g., literacy programs for parenting teens and their babies, or day-care outreach programs would not be possible). If LSCA I funding is lost, the states would lose the following sums based on the FY 1992 appropriation.

What State would lose based on \$82,220,040¹

Alabama	\$1,346,333
Alaska	356,050
Arizona	1,239,842
Arkansas	866,912
California	8,643,055
Colorado	1,134,635
Connecticut	1,132,570
Delaware	388,995
District of Columbia	372,180
Florida	3,870,549
Georgia	2,037,900
Hawaii	514,410
Idaho	485,519
Illinois	3,442,914
Indiana	1,772,903
Iowa	987,778

Kansas	902,899
Kentucky	1,245,535
Louisiana	1,397,226
Maine	548,369
Maryland	1,556,524
Massachusetts	1,906,887
Michigan	2,837,119
Minnesota	1,441,236
Mississippi	930,033
Missouri	1,651,737
Montana	426,698
Nebraska	647,795
Nevada	530,966
New Hampshire	514,700
New Jersey	2,393,030
New Mexico	629,892
New York	5,303,975
North Carolina	2,080,575
North Dakota	381,231
Ohio	3,277,376
Oklahoma	1,092,417
Oregon	1,006,380
Pennsylvania	3,570,877
Puerto Rico	1,199,218
Rhode Island	484,687
South Carolina	1,189,194
South Dakota	397,460
Tennessee	1,583,680
Texas	5,019,151
Utah	688,780
Vermont	359,657
Virginia	1,955,382
Washington	1,580,703
West Virginia	708,818
Wisconsin	1,587,817
Wyoming	328,685

¹ This figure does not include the 2 percent required to be set aside for LSCA IV, Library Services for Indian Tribes and Hawaiian Natives.

[ALA Washington Office Fact Sheet—Library Services and Construction Act Title II]

WHAT THE STATES WOULD LOSE PUBLIC LIBRARY CONSTRUCTION AND TECHNOLOGY ENHANCEMENT

Purpose: Assists in building, purchasing, and improving library buildings, not only to provide needed repairs, but also to take advantage of technological enhancement, provide handicapped access and ensure safe working environments. Federal share of each project may not exceed one-half.

Appropriation fiscal year 1992	\$16,718,000
Admin. Budget Request fiscal year 1993	0
ALA Recommendation fiscal year 1993	55,000,000

Impact of Proposed Program Elimination: Demand for federal library construction funds exceeds availability by several magnitudes. LSCA II is particularly valuable because it stimulates twice the amount of non-federal matching money. According to a 1983 study conducted by the Bureau of Labor Statistics, one billion dollars in construction

funds provides 24,000 full-time jobs for one year. If LSCA II is zero-funded, the states would lose the following federal funding amounts based on the FY 1992 appropriation.

What States would lose based on \$16,383,640¹

Alabama	\$277,599
Alaska	124,176
Arizona	261,100
Arkansas	203,323
California	1,408,072
Colorado	244,802
Connecticut	244,482
Delaware	129,281
District of Columbia	126,676
Florida	668,674
Georgia	384,744
Hawaii	148,711
Idaho	144,251
Illinois	602,421
Indiana	343,688
Iowa	222,050
Kansas	208,899
Kentucky	261,984
Louisiana	285,485
Maine	153,972
Maryland	310,165
Massachusetts	364,446
Michigan	508,566
Minnesota	292,303
Mississippi	213,103
Missouri	324,916
Montana	135,122
Nebraska	169,376
Nevada	152,825
New Hampshire	148,756
New Jersey	439,773
New Mexico	166,593
New York	890,753
North Carolina	391,355
North Dakota	128,078
Ohio	576,774
Oklahoma	238,261
Oregon	224,931
Pennsylvania	622,246
Puerto Rico	254,808
Rhode Island	144,106
South Carolina	253,255
South Dakota	130,592
Tennessee	314,372
Texas	846,625
Utah	175,726
Vermont	124,735
Virginia	371,959
Washington	313,911
West Virginia	178,831
Wisconsin	315,013
Wyoming	119,937

¹ This figure does not include the 2 percent required to be set aside for LSCA IV, Library Services for Indian Tribes and Hawaiian Natives.

[ALA Washington Office Fact Sheet—Library Services and Construction Act Title III]

WHAT THE STATES WOULD LOSE INTERLIBRARY COOPERATION AND RESOURCE SHARING

Purpose: Grants to states for planning, establishing, and operating cooperative net-

works of libraries at local, regional, or interstate levels. Title III also provides for developing the technological capacity of libraries for interlibrary cooperation and resource sharing, and an optional statewide preservation plan.

Appropriation fiscal year 1992	\$19,908,000
Admin. Budget Request fiscal year 1993	0
ALA Recommendation fiscal year 1993	35,000,000

Impact of the Administration's Budget: Interlibrary cooperation of all kinds has been stimulated by LSCA III. In the 26 years since the addition of this title to LSCA, tremendous planning and implementation efforts have taken place among the different types of libraries. Eliminating funds for this title would halt the continuation or expansion of existing regional network systems and the initiation of any new systems. If LSCA III funding is lost, the states would lose the following amounts, based on FY 1992 appropriations.

What States would lose based on \$19,509,840¹

Alabama	\$318,182
Alaska	77,869
Arizona	292,339
Arkansas	201,840
California	2,088,884
Colorado	266,809
Connecticut	266,308
Delaware	85,864
District of Columbia	81,783
Florida	930,736
Georgia	486,005
Hawaii	116,298
Idaho	109,312
Illinois	826,961
Indiana	421,698
Iowa	231,171
Kansas	210,573
Kentucky	293,721
Louisiana	330,532
Maine	124,539
Maryland	369,189
Massachusetts	454,212
Michigan	679,952
Minnesota	341,212
Mississippi	217,158
Missouri	392,294
Montana	95,013
Nebraska	148,667
Nevada	122,742
New Hampshire	116,369
New Jersey	572,199
New Mexico	144,308
New York	1,278,586
North Carolina	496,361
North Dakota	83,979
Ohio	786,790
Oklahoma	256,564
Oregon	235,685
Pennsylvania	858,014
Puerto Rico	282,481
Rhode Island	109,085
South Carolina	280,049
South Dakota	87,918
Tennessee	375,779
Texas	1,209,468
Utah	158,613
Vermont	78,744
Virginia	465,980
Washington	375,056
West Virginia	163,475
Wisconsin	376,783
Wyoming	71,228

¹This figure does not include the 2 percent required to be set aside for LSCA IV, Library Services for Indian Tribes and Hawaiian Natives.

For example, my State of New York would lose \$5 million if the President's

budget recommendation goes through and not the recommendation of the Congress. If we reduce the amount of money available in LSCA from \$132 to \$35 million, New York State would lose \$5 million. The State of Missouri would lose \$1,651,000. The State of Illinois would lose \$3,452,914. It goes on and on, with the smallest loss being \$356,000 lost by the State of Alaska. That is in public library services.

In library construction, in many States the only construction money they have is from the Federal Government. They would lose all of that. The same is true of interlibrary cooperation and resource sharing.

Mr. Speaker, I would like to take just a moment to remind all Americans that the Library of Congress is a part of the legislative branch of Government, part of the congressional budget. The Library of Congress does much better generally when it is up before the Congress for consideration. However, this year they face a problem of budget cuts or a refusal of even the slightest increases which are necessary to keep abreast of inflation.

I would like to remind all of the people of the Nation that, in addition, the Library of Congress, being the library which services the Congress and provides the best reference service in the world to the Congress, it also services many other people throughout this Nation. It has many services provided for States, local governments, and also has direct service to the blind and physically handicapped. They are asking for an increase of \$3.8 million to improve that service. It has numerous services to the Nation that ordinarily most people do not know and do not understand.

The Library of Congress provides cataloging records to libraries in all 50 States. The Library services over 900,000 readers. It responds to over 1.5 million information requests each year. It also answers more than 35,000 requests a year from every State for free interlibrary loan. The Library of Congress provides online access to information files containing more than 25 million records for congressional offices, State libraries and libraries who are cooperating catalogue partners throughout the Nation. On and on it goes.

The primary function of the Library of Congress is to serve as a reference and research support for Congress, but its national library services have a direct impact on library users all over the Nation in every congressional district.

Mr. Speaker, at this time I will enter the document entitled "Library of Congress Services and Budget" into the RECORD.

[ALA Washington Office Fact Sheet—
Library of Congress]

LIBRARY OF CONGRESS SERVICES AND BUDGET

The Library of Congress is requesting \$357,528,000 for FY93, including the authority

to obligate \$24.9 million in receipts, for a net increase of \$27.7 million, or nine percent, over FY92. In his budget testimony, Librarian of Congress James Billington said that the library was "requesting only those funds necessary to provide the best possible research and reference services to the Congress, to continue aggressively the reduction of our backlog of unprocessed materials, to maintain our traditional core services to the nation, and to begin to modernize our capability to deliver scientific and technological information to the Congress and to the country."

Nearly two thirds of the requested increase is to keep pace with inflationary costs and mandatory pay costs. The remaining \$10.7 million is intended for enhanced services.

In FY 1992, the Library of Congress made major progress in reducing its arrearages, cutting unprocessed items by 4.2 million to a new low of 36.4 million items.

The Library of Congress intends to use \$800,000 to establish a National Center for Science and Technology Information Services to provide Congress, the private sector, and the research community with scientific and business information. This Center would complement the work being done by the National Library of Medicine and the National Agricultural Library. These funds would also begin to modernize the Geography and Map Division through the installation of an automated Geographic Information System, which would improve access to the Library's map collections.

The Library is requesting \$3.8 million to rent new storage space and to convert the Landover, Maryland, warehouse space to collections storage. The book stacks in the Jefferson and Adams buildings are reaching capacity, and the Library must now spend ever increasing amounts of time and money shifting books around to gain ever smaller amounts of shelf space. The Library anticipates adding one million books, requiring over eighteen miles of shelf space, to the general collections through FY 1994. Storage space for some special collections, such as motion pictures and sound recordings, has nearly reached capacity. Converting the Landover building to collections storage will accommodate collections growth for the next five to seven years, which meet the Library's needs until other long-range plans can be developed.

A request of \$400,000 will strengthen Constituent Services automation capabilities in the general reading rooms, and \$200,000 will allow the Law Library to provide greater access to foreign legal databases and make effective use of computer equipment.

An increase of \$3.5 million is requested to upgrade workstations to ergonomic standards and to install metal detectors at building entrances. Presently, Library buildings are the only buildings on Capitol Hill which do not have these security measures.

The Library is asking for \$550,000 to bring telecommunications cabling in the Madison Building up to the same standard available in the Jefferson and Adams buildings. This will enable the Library to handle more requests for more information more efficiently at less cost.

An increase of \$3.8 million for the National Library Service for the Blind and Physically Handicapped will maintain the reading program at a constant level of service.

Katherine F. Mawdsley, Associate University Librarian for Public Services, University of California at Davis, representing the American Library Association and the Association of Research Libraries at hearings on

the LC budget on January 29, urged the Subcommittee to meet the Library's funding request. Full funding, she said, "will provide the needed momentum to continue with several key initiatives such as tackling the arrears while addressing critical internal needs such as collection storage and automation support."

Services to the Nation. The Library of Congress maintains a collection of almost 100 million items in over 450 languages. Its national library services include the following:

The Library provides cataloging records to libraries in all 50 states. LC estimates that this service saves America's libraries over \$370 million annually.

The Library serves over 900,000 readers and responds to over 1.5 million information requests a year. It also answers more than 35,000 requests a year from every state for free interlibrary loan.

The Library provides online access to information files containing more than 25 million records for Congressional offices, state libraries, and libraries who are cooperative cataloging partners throughout the nation.

The Library's Center for the Book promotes reading and literacy through its 25 state affiliates.

The Copyright Office processes over 650,000 claims for copyright registration and answers almost 400,000 requests for copyright information annually. The Office administers U.S. copyright laws and promotes international protection of intellectual property created by American citizens.

The National Library Service for the Blind and Physically Handicapped circulates over 20 million discs, cassette, and braille items annually for 700,000 blind and physically handicapped readers through 147 regional and subregional libraries and multistate centers.

Since 1976, the American Folklife Center has preserved and presented American folklife through its programs of research, documentation, archival preservation and services, live performance, exhibition, publication, and training. The American Folklife Center's archive of over one million items is America's national repository for ethnographic documentation of folk music, folklore, and folklife. Without the archive, countless vibrant traditions of American culture might have been lost. Many projects of the Center both provide assistance to state and regional cultural efforts and add to the collections of the archive.

Services to the World. In addition to providing services to the Congress and to the nation, the Library also provides services to other nations:

The Library sells cataloging data to more than 100 countries.

The Library trains officials from Third World countries in international copyright law and the protection of intellectual property as a basis for free markets.

During the past year, the Library, through the Congressional Research Service, has provided practical assistance to Poland, Hungary, Bulgaria, and the Czech and Slovak Federal Republic. This assistance has included books for parliamentary libraries, help in creating a research and analysis capability, and training of staff and members of the fledgling parliaments.

Congressional Action Needed. (1) The primary function of the Library of Congress is to serve as reference and research support to Congress, but its national library services have a direct impact on library users in every congressional district. LC is part of

the Legislative Branch of the U.S. government, and its budget is under the jurisdiction of the House and Senate Legislative Branch Appropriations Subcommittees. For the most effective service to Congress, for its keystone role in the nationwide system of interconnected libraries, and for its essential role in undergirding the nation's libraries, the Library of Congress budget request of \$357,528,000 should be approved. (2) LC's American Folklife Center requires reauthorization this year. Reauthorization will allow the Center to continue to carry out its mission to make all Americans more aware of their diverse cultural heritage and to make its archives more accessible to the American people.

Mr. Speaker, Government Printing is a major source of information. I would like to take a moment to highlight during this National Library Week the fact that that, too, needs the support of all the Members of Congress.

The Federal Government currently produces thousands of databases and documents that are stored electronically. Unfortunately, for most Americans it is a daunting task to locate this information and to establish accounts with different agencies to purchase information and to process information into a readily usable form.

Many agencies only sell electronic information on magnetic tape, which is difficult or impossible for most citizens to use.

□ 1510

The Government Printing Office wide information network data online is a new proposal, a bill introduced by the gentleman from North Carolina [Mr. ROSE] on June 26 of 1991, and this act would establish online access to public government information through the Government Printing Office. The databases and documents offered through this GPO what we call Windo, GPO Windo, would initially consist of a group of core databases which will be extended as the system matures. It will be expanded to include more databases. This is a very important project. It is legislation that should be supported by all Members of Congress.

I enter into the RECORD the document entitled "Government Printing Office Wide Information Network Data Online Act."

[ALA Washington Office Fact Sheet—GPO Windo Act]

GOVERNMENT PRINTING OFFICE WIDE INFORMATION NETWORK DATA ONLINE ACT

The federal government currently produces thousands of databases and documents that are stored electronically. Unfortunately, for most Americans, it is a daunting task to locate this information, establish accounts with different agencies to purchase the information and process the information into a readily usable form. Many agencies only sell electronic information on magnetic tape, which is difficult or impossible for most citizens to use.

The GPO Wide Information Network Data Online (GPO WINDO) Act (HR 2772), introduced by Rep. Charlie Rose (D-NC) on June 26, 1991, would establish online access to pub-

lic government information through the Government Printing Office (GPO). This GPO Windo would be a single account, one-stop-shopping way to access and query federal databases, complementing rather than supplanting other agency efforts to disseminate information. It would not be an exclusive method of dissemination. Its purpose is to make it more convenient for the public to obtain low-cost access to government information.

The databases and documents offered through the GPO WINDO would initially consist of a group of core databases, which will be expanded as the system matures. While the initial offering would be determined after a period of planning and public comment, core data would likely include such high-interest services as the *Federal Register*, *Congressional Record*, *Economic Bulletin Board*, *National Trade Data Bank*, the *Department of State Dispatch*, agency and White House press releases, CENDATA, DOE Energy, AGRICOLA, FEC Campaign Contributions, NTIS Research Abstracts, U.S. Supreme Court opinions, and many others.

These choices would be based on a combination of technical feasibility, costs, and user interest. They would include online services already offered by GPO to selected depository libraries and those that are currently available through commercial vendors only. The GPO would start with the least costly and the technologically simplest services, making incremental expansions as the program matures. The long-term goal is to provide online access to as many federal databases as possible, limited only by technological and costs constraints.

The information available through the GPO WINDO would be priced for most subscribers at approximately the incremental cost of dissemination, and provided without charge through the depository library program.

GPO would work with agencies to determine the best means to disseminate information online through a gateway service, connecting callers to agency online services with GPO handling the billing to the caller through the single account; and online access to federal databases directly through GPO.

GPO would rely upon an agency's data storage and retrieval software unless agencies cannot do so or if GPO can provide better service or lower prices. Access to the information will be provided through all available telecommunications modes, including dial-in telephone modem access and computer networks.

GPO would have the authority to develop a friendly user interface, with menus, indexes, online help, and other aids to make it easier for users to locate databases of interest. GPO would also work with other agencies toward the development of standards that will make it easier to use different databases. It is contemplated that GPO will regularly solicit comments on the service from users and the public in an annual report detailing the steps it has taken to implement the congressional objectives and to address user concerns.

The following organizations are supporting the concept of the GPO WINDO:

- American Association of Law Libraries.
- American Association of University Professors.
- American Council on Education.
- American Historical Association.
- American Library Association.
- Association of Research Libraries.
- Association of Library and Information Science Education.

American Society of Journalists and Authors.

CAUSE, The Association for the Management of Information Technology in Higher Education.

Chief Officers of State Library Agencies.

Coalition for Networked Information.

EDUCOM.

National Association of Housing and Redevelopment Officials.

National Coordinating Committee for the Promotion of History.

National Security Archive.

Organization of American Historians.

Project Censored.

Public Citizen.

Special Libraries Association.

Taxpayer Assets Project.

For more information on the GPO WINDO, contact:

American Library Association, 202-547-4440.

Taxpayer Assets Project, 609-683-0534.

Mr. Speaker, another very important item vital to all libraries is the postal revenue forgone appropriation, postal subsidies in short. Our postal subsidies date back to the earliest days of the Republic. The purpose then, as now, was to promote the dissemination of information through the Nation through free and reduced rate postage for certain preferred classes of mail. This is very important to libraries. Free mailing to or from blind or visually disabled persons of braille, and recorded books and other eligible materials and equipment is very important. Mailing at reduced rates of small circulation or in-county publications, such as local and rural newspapers, the publications that are used in school classrooms, or religious instruction classes, publications of religious, educational, charitable and other nonprofit organizations and numerous other items are part of this postal forgone rate. It provides a great service to libraries. If it was cut, it would mean that many of the libraries would have to make up for that expenditure by continuing to cut services and personnel.

A congressionally mandated study report entitled "Report to the Congress, Preferred Rate Study" conducted by the Postal Rate Commission in 1986 documented the dependence of our schools, our colleges and libraries on these postal rates. Educational organizations account for 32.6 percent of third class nonprofit mail volume. Educational publications with 22.4 percent of the subsidy for the fourth class library rate for both books and audiovisual materials, excluding colleges, accounted for 54 percent. These are very vital rates which bring down the cost of educational materials, and it is very important.

I introduce for the RECORD the postal revenue forgone appropriation in its entirety.

[ALA Washington Office Fact Sheet—Postal Revenue Forgone]

POSTAL REVENUE FORGONE APPROPRIATION PROGRAM TITLE

Postal Revenue Forgone Appropriation, as authorized by the Postal Reorganization Act of 1970, Public Law 91-375, as amended.

PURPOSE

Some postal subsidies date back to the earliest days of the Republic. The purpose then, as now, was to promote the dissemination of information throughout the Nation through free and reduced-rate postage for certain preferred classes of mail. The Act says the statutory criteria for setting postal rates and fees shall include special recognition of the "educational, cultural, scientific, and informational value to the recipient of mail matter" [39 USC 3622(b)(8)].

WHO RECEIVES FUNDING

Those who benefit from free and reduced-rate postage include the blind and visually disabled; local newspapers, libraries, schools, and colleges; and religious, charitable, and other nonprofit organizations who qualify for free matter for the blind, or 2nd-, 3rd-, and 4th-class preferred rates. In many cases, those who mail items to such entities are also able to use preferred rates, thus reducing the postal costs passed through to eligible institutions.

FUNDING HISTORY

Fiscal year	Administration budget	Postal service estimate ¹	Congressional appropriation
1990	\$23,696,000	\$459,755,000	\$435,425,000
1991	372,592,000	484,592,000	472,592,000
1992	182,778,000	364,301,000	470,000,000
1993	121,912,000	481,912,000	Pending.

¹ By law, the U.S. Postal Service must estimate the amount needed to set preferred rates at full attributable costs.

² Free mail for the blind and overseas voters only.

³ Estimate revised after general postal rate increase took effect February 3, 1991.

KINDS OF ACTIVITIES SUPPORTED

Free mailing to or from blind or visually disabled persons of braille or recorded books and other eligible materials and equipment.

Mailing at reduced rates of small circulation or in-county publications such as local and rural newspapers; publications for use in school classrooms or in religious instruction classes; publications of religious, educational, charitable, and other nonprofit organizations; bulk-rate mailings of similar nonprofit organizations for purposes such as fund-raising letters; books, periodicals, and audiovisual materials loaned or exchanged between schools, colleges, or libraries (such as film-sharing circuits, interlibrary loan, books-by-mail programs), and shipments of such items to eligible entities by publishers or distributors.

IMPACT OF THE ADMINISTRATION'S BUDGET

The Bush Administration's request falls \$360 million short of the amount needed for FY93. Of this, \$95 million would come from restricting or eliminating eligibility for certain preferred rates. The proposals, none of which are new, include: (1) full regular rates for nonprofit 2nd-class publications whose content includes more than ten percent advertising; (2) denial of nonprofit 3rd-class rates to mail that includes advertising or political advocacy material, as well as educational material for organizations that are not schools; and (3) denial of 4th-class library rates for commercial publishers.

All of these proposals would require USPS to make inappropriate judgment calls. Last year, the Postmaster General cited the difficulty of defining "political advocacy." Excluding educational materials from non-school organizations would preclude most public library use of 3rd-class nonprofit mail, yet libraries clearly serve educational purposes. The 4th-class library rate is intended to assist schools and libraries in receiving and exchanging books and other materials. If publishers must mail textbooks, library

books, films, etc., at full commercial rates, the school and library recipients will incur higher postal costs and have less purchasing power for materials. The Administration's budget would also require schools, libraries, and charitable organizations to pay about 68 percent of the overhead costs for their mail. Preferred-rate mailers have been paying their full direct mailing costs since 1986, but the law calls for a permanent subsidy of preferred rates' shares of indirect or USPS overhead costs.

If the revenue USPS forgoes, because some rates are set at lower or preferred rates, is not provided by congressional appropriations, or is provided at less than the full \$481,912,000 needed, rates can be raised immediately to make up the difference. The effect of eliminating all postal revenue forgone funding is illustrated by the examples below.

A congressionally mandated study, "Report to the Congress: Preferred Rate Study," conducted by the Postal Rate Commission in 1986 documented the dependence of schools, colleges, and libraries on these rates. Educational organizations accounted for 32.6 percent of 3rd-class nonprofit mail volume. Educational publications were 22.4 percent of the volume of preferred 2nd-class mail. Of the subsidy for the 4th-class library rate for books and audiovisual materials, schools and colleges accounted for 54 percent (23 percent as senders and 26 percent as recipients of packages from publishers and distributors where the postal cost is paid by the recipient as part of a purchase). Libraries represented 22 percent of the library rate subsidy (including 4 percent of publisher/distributor mailings).

PREFERRED POSTAL RATES

Typical examples	Current rate (cents)	Unsubsidized rate	
		Amount (cents)	Percent increase
2d-class classroom publication weekly, 12 oz., 15 percent advertising, 32 copies per piece, NYC-Chicago	17.3	21.5	24.3
3d-class nonprofit fund-raising letter, ¼ oz., nationwide distribution, required presort	11.1	15.4	38.7
4th-class library rate, 3½ lb. book package, between libraries	137.0	143.0	4.4

Mr. Speaker, the White House Conference on Library and Information Services summarizes many of the same recommendations that I am making today. That conference was held last year with the goal of using the recommendations from that conference as a basis for the preparation of new legislation.

I enter into the RECORD in its entirety the White House Conference on Library and Information Services and a second document called Priority Recommendations from the same source.

[ALA Washington Office Fact Sheet—WHCLIS]

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

The 984 delegates to the second White House Conference on Library and Information Services held on July 9-13, 1991 identified 95 recommendations for the improvement of library and information services to foster literacy, productivity, and democracy. President Bush transmitted these recommendations to Congress on March 6, 1992 in the Summary Report of the 1991 White House Conference on Library and Information Services. His accompanying message concluded:

"As we strive for a more literate citizenry, increased productivity, and stronger democracy, we must make certain that our libraries and information services will be there to assist us as we lead the revolution for education reform. As I stated in my speech at the White House Conference, 'Libraries and information services stand at the center of this revolution.'"

The American Library Association, in January 1992, adopted as its top legislative priority issues the first three of the recommendations earmarked by WHCLIS delegates for priority action:

Adopt the Omnibus Children and Youth Literacy Initiative. This recommendation, designed to invigorate library and information services for student learning and literacy, is a multipart initiative based on recommendations prepared by an interdivisional task force of the three youth divisions of ALA—the American Association of School Librarians, the Association for Library Service to Children, and the Young Adult Library Services Association. A plan for implementation of this WHC recommendation is being developed by the ALA Youth Divisions Task Force in cooperation with other children and youth advocate organizations.

Congressional Action Needed: Although not yet in draft bill form, congressional attention is drawn to this very strong recommendation of WHC delegates from every state, district and territory in the United States. This proposal would enlist libraries as partners in meeting the national education goals.

Share Information Via Network "Superhighway." This recommendation calls for enactment, funding and implementation of legislation to enact the National Research and Education Network (NREN). The High-Performance Computing Act of 1991 (PL 102-194) was signed into law on December 9, 1991, the first action implementing a 1991 WHCLIS recommendation. The Act includes establishment of the NREN, a high-capacity computer network designed to link research institutions, educational institutions, libraries, government and industry in every state. The HPCA requires the involvement and coordination of activities by a number of federal agencies, including the Department of Education.

Through the efforts of the library community, the legislation includes libraries as NREN access points and information providers. However, ensuring broad participation by libraries in the development and evolution of the NREN will require a continued effort and is a high priority for the library community.

Congressional Action Needed: The NREN is a complex multiagency undertaking, and represents a partnership between the federal government, the research, education, and library communities, other levels of government, and industry. As such, it will require sufficient federal appropriations and active congressional oversight to ensure full implementation, involvement by all NREN user constituencies, and responsiveness to the research, education, and library communities.

Fund Libraries Sufficiently to Aid U.S. Productivity. This recommendation calls for sufficient funds from all sources for library services as an "indispensable investment in the Nation's future," and includes a comprehensive statement of the need for adequate funding for existing federal library and related programs, including the NREN.

Congressional Action Needed: In the FY93 appropriations process, provide adequate funding for federal library and related pro-

grams, despite the Administration's budget request to cut by 76% the LSCA and HEA library programs administered by the Department of Education. This is especially important at a time of recession-driven cuts in local and state budgets for libraries.

RESOLUTION ON WHCLIS II RECOMMENDATIONS IMPLEMENTATION

Whereas, Delegates to the White House Conference on Library and Information Services voted these recommendations as top priority action items:

(1) adopt the Omnibus Children & Youth Literacy Initiative

(2) support NREN implementation and access for all libraries

(3) encourage sufficient funding for libraries to aid U.S. productivity; and

Whereas, The ALA is on record with policies that support these initiatives; and

Whereas, All units and their constituencies of the ALA will benefit from association-wide unified action on these top initiatives that were supported by the majority of WHCLIS delegates; now, therefore, be it

Resolved, That the American Library Association adopt as its top legislative priority issues the following recommendations from the White House Conference on Library and Information Services:

(1) adopt the Omnibus Children & Youth Literacy Initiative

(2) support NREN implementation and access for all libraries

(3) encourage sufficient funding for libraries to aid U.S. productivity; and, be it further

Resolved, That the American Library Association will actively seek opportunities for implementation of other WHCLIS recommendations.

[Excerpt from Summary Report of the 1991 White House Conference on Library and Information Services]

PRIORITY RECOMMENDATIONS

ADOPT OMNIBUS CHILDREN AND YOUTH LITERACY INITIATIVE

That the President and the Congress adopt a four-pronged initiative to invigorate library and information services for student learning and literacy through legislation which would consist of:

School Library Services Title which would: Establish within the U.S. Department of Education an office responsible for providing leadership to school library media programs across the Nation.

Create federal legislation to provide demonstration grants to schools for teachers and library media specialists to design resource-based instructional activities that provide opportunities for students to explore diverse ideas and multiple sources of information.

Establish grants to provide information technology to school media centers, requiring categorical aid for school library media services and resources in any federal legislation which provides funds for educational purposes.

Establish a federal incentive program for states to ensure adequate professional staffing in school library media centers. This would serve as a first step toward the goal for all schools to be fully staffed by professional school library media specialists and support personnel to provide, facilitate, and integrate instructional programs which impact student learning.

Public Library Children's Services Title, which would provide funding support for:

Demonstration grants for services to children.

Parent/family education projects for early childhood services involving early childhood support agencies.

Working in partnership with day care centers and other early childhood providers to offer deposit collections and training in the use of library resources.

(Concurrently, funding for programs such as Head Start should be increased for early childhood education.)

Public Library Young Adult Services Title, which would provide funding support for:

Demonstration grants for services to young adults.

Youth-at-risk demonstration grants to provide outreach services, through partnership with community youth-serving agencies, for young adults on the verge of risk behavior, as well as those already in crisis.

A national library-based "Kids Corps" program for young adults to offer significant salaried youth participation projects to build self-esteem, develop skills, and expand the responsiveness and level of library and information services to teenagers.

Partnership with Libraries for Youth Title, which would provide funding support to:

Develop partnership programs between school and public libraries to provide comprehensive library services to children and young adults.

Establish and fund agenda for research to document and evaluate how children and young adults develop abilities that make them information literate.

Establish a nationwide resource-sharing network that includes school library media programs as equal partners with libraries and ensures that all youth have access to the Nation's library resources equal to that of other users.

Encourage school and public library intergenerational demonstration programs which provide meaningful services (e.g., tutoring, leisure activities, and sharing of books, ideas, hobbies) for latchkey children and young adolescents in collaboration with networks and private organizations, such as conducted by the American Association of Retired Persons (AARP).

Create family literacy demonstration programs that involve school and public libraries and other family-serving agencies.

Provide discretionary grants to library schools and schools of education for the collaborative development of graduate programs to educate librarians to serve children and young adults.

Provide opportunities for potential authors who reflect our cultural diversity to develop abilities to write stories and create other communications media about diverse cultures for youth.

Further, all legislation authorizing child care programs, drug prevention programs, and other youth-at-risk programs should include funds for appropriate books and library materials, to be selected in consultation with professional librarians.

SHARE INFORMATION VIA NETWORK 'SUPERHIGHWAY'

That the Congress enact legislation creating and funding the National Research and Education Network (NREN) to serve as an information "superhighway," allowing educational institutions, including libraries, to capitalize on the advantages of technology for resource sharing and the creation and exchange of information. The network should be available in all libraries and other information repositories at every level. The governance structure for NREN should include representation from all interested constituencies, including technical, user, and infor-

mation provider components, as well as government, education at all levels, and libraries.

FUND LIBRARIES SUFFICIENTLY TO AID U.S. PRODUCTIVITY

That sufficient funds be provided to assure that libraries continue to acquire, preserve, and disseminate those information resources needed for education and research in order for the United States to increase its productivity and stay competitive in the world marketplace. Thus, a local, state, regional, tribal, and national commitment of financial resources for library services is an indispensable investment in the Nation's future. Government and library officials and representatives of the private sector must work together to raise sufficient funds to provide the necessary resources for the crucial contribution information services make to the national interest. The President and the Congress should fully support education and research by expanding and fully funding statutes related to information services, such as the Higher Education Act, Medical Library Assistance Act, Library Service and Construction Act (LSCA), College Library Technology Demonstration Grants, the National Research and Education Network (NREN), and other related statutes. Further, recommended amending Chapter II of the Education Consolidation and Improvement Act to allocate funds for networking school libraries.

Mr. Speaker, chapter 2 block grants for schools is very important. Chapter 2 block grants do provide educational materials to be included in that process, a program of block grants to States to provide initial funding to enable State educational agencies and local educational agencies to implement promising educational programs that can be supported by State and local sources of funding after the programs are demonstrated to be effective. This is one of many purposes for chapter 2 which is very important to libraries.

I would like to enter the document entitled "Chapter 2 School Block Grants" in its entirety in the RECORD. [ALA Washington Office Fact Sheet—Elementary and Secondary Education Act, Title I]

CHAPTER 2 SCHOOL BLOCK GRANTS PURPOSE

A program of block grants to states to (1) provide initial funding to enable state educational agencies (SEAs) and local educational agencies (LEAs) to implement promising educational programs that can be supported by state and local sources of funding after the programs are demonstrated to be effective; (2) provide a continuing source of innovation, educational improvement, and support for library and instructional materials; (3) meet the special educational needs of at risk and high-cost students; (4) enhance the quality of teaching and learning through initiating and expanding effective schools programs; and (5) allow SEAs and LEAs to meet their educational needs and priorities for targeted eligible uses.

WHO RECEIVES FUNDING

Up to one percent of the funding is reserved for the insular territories, up to six percent is reserved for the Secretary's discretionary fund, and the remainder is divided among the states on the basis of their

school-age populations. Each SEA must distribute 80 percent of its funding to LEAs on an enrollment basis with higher allocations to LEAs with the greatest numbers of high-cost children, such as those from low-income families and sparsely populated areas. Of the 20 percent which may be retained by the SEAs, up to one quarter may be used for administration, and generally at least one fifth is used for effective schools programs. The Chapter 2 block grant, like the antecedent programs, is advance funded to allow for long-range planning.

KINDS OF ACTIVITIES SUPPORTED

Reauthorization of Chapter 2 by the Hawkins-Stafford Elementary and Secondary School Improvement Amendments of 1988 (PL 100-297) substitutes six targeted uses for the 32 eligible uses under Chapter 2 of the former Education Consolidation and Improvement Act of 1981. Another eligible use was added through the National Literacy Act of 1991 (PL 102-93).

1. Programs to meet the educational needs of students at risk of failure in school and of dropping out, and students for whom providing an education entails higher than average costs.

2. Programs for the acquisition and use of instructional and educational materials, including library books, reference materials, computer software and hardware for instructional use, and other curricular materials that would be used to improve the quality of instruction.

3. Innovative programs designed to carry out schoolwide improvements, including the effective schools program.

4. Programs of training and professional development to enhance the knowledge and skills of educational personnel, including teachers, librarians, and others.

5. Programs of training to enhance the ability of teachers and school counselors to identify, particularly in the early grades, students with reading and reading-related problems that place such students at risk for illiteracy in their adult years.

6. Programs designed to enhance personal excellence of students and student achievement, including instruction in ethics, performing and creative arts, and participation in community service projects.

7. Other innovative projects which would enhance the educational program and climate of the school, including programs for gifted and talented students, technology education programs, early childhood education programs, community education, and programs for youth suicide prevention.

Authorized activities include planning, development, or operation and expansion of programs designed to carry out the targeted assistance described above. Activities may include training educational personnel in any of the targeted assistance programs. The allocations of funds under Chapter 2 and the design, planning, and implementation of programs must include consultation with parents, teachers, and other groups involved in implementation as considered by the LEA. School librarians must be represented on the state Chapter 2 advisory committee.

FUNDING HISTORY

Chapter 2 authorization is \$706,000,000 for FY 1993.

Fiscal year:

1990 appropriation	\$487,894,000
1991 appropriation	469,408,000
1992 appropriation	474,600,000
1993 budget request	465,220,000

IMPACT OF THE ADMINISTRATION'S BUDGET

For FY 1993, the Administration has requested \$465,220,000, but as in FY92 proposes

a legislative change to a state level set-aside of 50 percent of the block grant which would be used to support local adoptions of educational choice programs. This major change of the direction of the block grant would have a serious impact on school libraries.

The daily newspapers are full of articles about states and localities across the country suffering dire fiscal problems. Coupled with that, the cost of books, periodicals and other materials like computer software and audio visual materials has risen drastically. Many children's picture books now cost \$18-\$20, and the average subscription price for a children's periodical as of 1991, according to Library Journal, was \$18.38. Prices of hardcover children's books averaged \$13.07 in 1990, according to Publishers Weekly.

A study of Expenditures for Resources in School Library Media Centers FY 1989-1990, by Marilyn L. Miller and Marilyn Shontz, cites the median per pupil expenditure for books in 89-90 as \$5.48. Considering the inflation rate for 1990 at 6 percent and the average price of books, the authors say "the average elementary library media specialist could purchase a little over one-half of a book per child; the average secondary library media specialist could purchase one novel for every four students." These statistics mean that library collections have to be deteriorating because of the inability of library media specialists to purchase one book per child per year." Library media specialists find it difficult to provide accurate, up to date information to children at a time when world events like the demise of the Soviet Union cause atlases, history and geography books, encyclopedias, maps and globes to become obsolete. When the median library materials budget only allows \$5.48 per child per year, it would take a child's entire school career to replace just two of those volumes.

In the reauthorization of Chapter 2, a set-aside provision for funds for library materials would ensure a fair and equitable distribution of support for all school systems. Reading and literacy efforts, as well as student achievements, are significantly improved and supported by a good school library. Expenditures for school library media services are the most important variable related to school achievement, according to a School Match analysis of data on all U.S. public school districts and 14,850 private schools. Parents and teachers alike are also aided in their efforts by a good school library. In a search for ways to improve overall learning and achievement, the school library, a crucial component in the learning process, should be encouraged and enhanced, not overlooked or neglected. No one doubts that the National Goals for Education (see attached) can be reached. School libraries and library media specialists should be first on the list of strategies to reach those goals.

AUTHORIZATION

PL 100-297, the Hawkins-Stafford Elementary and Secondary School Improvement Amendments of 1988, authorized Chapter 2 through FY 1993, with authorization levels of \$640 million in FY 1991, \$672 million in FY 1992, and \$706 millions in FY 1993, Chapter 2 reauthorization is scheduled for 1993.

Finally, Mr. Speaker, I would like to enter as part of that chapter 2 presentation a restatement of national education goals and libraries, a statement on national education goals and libraries. Each one of the national education goals, goal 1 to goal 6, involves libraries of some kind, either libraries in

public sector or libraries in our schools and our colleges.

I enter into the RECORD in its entirety "National Education Goals and Libraries."

NATIONAL EDUCATION GOALS AND LIBRARIES

Goal No. 1: By the year 2000, all children in America will start school ready to learn.

Libraries are essential to the achievement of this goal. Education research indicates that the single most important activity in preparing pre-school children to read is reading aloud to them. Studies by Durkin (1966), Chomsky (1982), Goldfield and Snow (1984) and others have found that both the sheer quantity of the material read to a young child and the continued use of progressively more advanced reading material are directly related to the extent of that child's "reading readiness" skills when he or she enters school.

A study by William Teale, however, found that too many young children are missing out on this essential element of literacy preparation. While some of the children in the homes he studied were read to often by their parents and caregivers, most were not. In most homes, storybook reading averaged less than twenty minutes per month—less than four hours per year. Not all of these children come from poor or uneducated families; Teale's study and a similar one by Shirley Brice Heath both found that income, race, and parents' educational status are all unreliable predictors of the extent to which children are read to at home. Poor and rich, African-American and white, working-class and professionals—this is a deficit affecting all of America's children.

Libraries work to fill this gap by exposing young children and their parents and other caregivers to the wide variety of children's literature they need to develop their "reading readiness" skills. Many also provide training to parents and caregivers on how to select appropriate reading materials and how best to use them with children. They are shown not just how to read to their children, but how to read with them.

The Howard County (MD) Public Library's BABYWISE program, for example, has developed a series of teaching kits which they regularly deliver along with books, toys, and educational games to family day care providers in the community.

The Hennepin County (MN) Public Library conducts workshops for family day care providers on the selection and use of children's literature which the county social services agency has made a part of its in-service training requirement for providers. A special "preschool" bookmobile makes scheduled stops at family day care homes and child care centers throughout the area.

The Brooklyn Public Library's Child Place program serves 45,000 preschool children and their caregivers every year. The staff teaches parents, day care providers and others how to prepare their children to read and learn.

The New York Public Library maintains deposit collections of books and materials on the premises of many Head Start and child care facilities and conducts regular workshops for child care providers on the selection of materials for use with preschool children.

The Jacksonville (FL) Public Library conducts regular reading workshops for functionally illiterate parents and their children. While their children attend a story hour program, their parents are taught how to read, using the same books their children are listening to. Later, the parents then read the story to their children.

The Rogue River (OR) Public Library has an outreach program in which volunteers visit the families of newborns to give them a library card, deliver a presentation on the services of the library for parents of young children, and instruct them on how to read to children.

Goal No. 2: By the year 2000, the high school graduation rate will increase to at least 90 percent.

An estimated 14 to 25 percent of students entering high school nationwide will drop out before they finish. Research indicates that youth who are the most likely to drop out are those who are the least prepared academically and the least involved in school activities. Libraries have been playing an active role in targeting special services to these students to help improve their academic performance and prevent them from dropping out of school.

SUMMER READING PROGRAMS

Reading skills decline during the summer vacation if children do not read independently.

In Shawnee Mission, Kansas, the public and school district libraries have joined forces to sponsor an 8-week summer reading program for elementary and middle-school students. Every year about 2,500 students participate in the program, each averaging five visits to the library during the summer.

In South Carolina, public libraries sponsor 2,007 summer reading programs for low-income children attending summer food program sites. Over 46,000 children participated last summer.

In Illinois, public libraries sponsor summer literacy programs for 1st through 5th graders who have met minimum requirements and promotion but are behind in their reading skills.

AFTER-SCHOOL PROGRAMS

Libraries also sponsor after-school programs which supplement and support learning in the classroom.

In Baltimore, the Enoch Pratt Public Library operates three homework centers in which volunteers provide assistance to students in completing their assignments and offer a wide selection of books and materials which supplement the regular curriculum.

In Decatur, Georgia, the DeKalb Public Library operates a Homework and Study Center for students during after-school hours and on weekends. Library staff, which includes experienced teachers, provide homework help to students. Typewriters, computers, calculators and other equipment is available for students to do their work with. Books and other materials, including educational software and videos, are provided which are designed to complement the instruction students receive in the classroom.

The Cambridge (MA) Public Library operates a Books for Homeless Children program which provides books, cassette tapes, and story hours in Boston homeless shelters.

Goal No. 3: By the year 2000, American students will leave grades 4, 8, and 12 having demonstrated competency over challenging subject matter, including English, mathematics, science, history, and geography . . .

Report after report on educational reform in recent years has proclaimed the importance of reorienting our current curricula and methods of instruction to better develop "information literacy", the new set of skills which are required in a knowledge-based economy.

For example, in its 1986 report "A Nation Prepared," the Carnegie Forum on Education and the Economy declared that:

The skills needed now are not routine. Our economy will be increasingly dependent on people who have a good intuitive grasp of the ways in which all kinds of physical and social systems work. . . . Such people will have the need and the ability to learn all the time, as the knowledge required to do their work twists and turns with new challenges and the progress of science and technology. They will not come to the workplace knowing all they have to know, but knowing how to figure out what they need to know, where to get it, and how to make meaning out of it . . . We are describing people who have the tools they need to think for themselves, people who can act independently and with others, who can render critical judgment and contribute constructively to many enterprises, whose knowledge is wide-ranging and whose understanding runs deep.

Information literacy is the foundation for all other skills in a knowledge-based economy—the one skill through which all other skills and competencies can be acquired and maintained. It is, in short, knowing how to learn.

Inevitably, libraries must be central to developing these new information access skills and facilitating the lifelong learning that has become an economic imperative. As one library educator put it: "If the challenge is to learn how to learn and how to place one's learning within a broader societal and information environment, then libraries and their resources become the logical center for such learning."

Libraries are at the heart of the revolution in classroom instructional strategies that many educators and researchers are now advocating. For years, elementary and secondary education has been dominated by a deadening, repetitive "drill and kill" approach. This moribund "factory-model" approach to teaching children includes the use of curricula driven by a rigid sequencing which requires the attainment of basic skills prior to the development of higher-order skills, the use of teacher-controlled instruction almost exclusively, and an emphasis on rote memorization and drill and practice exercises. There is a new consensus among educators that this approach is ineffective and fails to develop adequately the higher-order skills of reasoning, comprehension and problem-solving that our students must have. They advocate the adoption of new and more effective approaches in which the instruction is more interactive and the curriculum integrates the attainment of basic and higher-order skills and provides a clear, real-world context for the development and use of these skills. This new wave of instructional reform goes by many different names—"cognitive apprenticeships", "situated learning", "cognitively-guided instruction", "meta-learning"—and there are important differences in the various new instructional models that are being implemented with such success around the country. But they all have at least one thing in common. All of them, from Robert Calfee's "Inquiring School" to Howard Gardner's "Project Zero" at Harvard University to the celebrated interdisciplinary curriculum at Central Park East Secondary School in East Harlem, include the regular use of library resources and library skills as a central component.

Mainstream educators are, to some extent, only just now discovering what library professionals have known all along. Over the last thirty years, the library science community have produced a solid body of research which has established the link between access to and regular use of a library with aca-

demical achievement at the elementary, secondary, and postsecondary level. These studies have established that students who have access to a library staffed by a full-time professional and who are given instruction in its use read more books more often, score better on standardized tests, and have superior reading, spelling, vocabulary, comprehension skills to those of other students.

Goal No. 4: By the year 2000, U.S. students will be first in the world in mathematics and science achievement.

All of the recent reports concerning the crisis in math and science education have focused on the need to reconfigure our current authoritarian instructional approach in which "teachers prescribe and students transcribe"—to one in which there is greater participation and hands-on learning by students. The National Research Council, the National Science Board of the National Science Foundation, the National Council of Teachers of Mathematics, and the National Science Teachers Association have all called for an end to "mindless mimicry" in the classroom in favor of new curricula which integrate science, math, and other disciplines, and emphasize active-problem solving using real-life situations. Libraries and their resources are essential partners in this new, more interactive method of instruction. They provide multimedia materials to supplement classroom instruction and offer a noncompetitive environment in which independent, self-directed learning is facilitated. The Whitehall (MT) High School library worked with the school's science department to develop a Videotaping through Microscopes program to enhance student participation in difficult microbiology experiments and in learning how to use the microscope. The exemplary Discover Rochester program effectively teaches math, science and other concepts to at-risk 8th graders by exploring various facets of the Rochester environment through group and individual research projects that rely heavily on the resources of local libraries and archives. Libraries contribute to math and science instruction in other, more unexpected ways as well by introducing math and science teachers to literature outside their disciplines which may be useful in the classroom. Some of the most promising new curricula in elementary math instruction, for example, draws on such disparate sources as Gulliver's Travels and Haitian and African folk tales for math problems.

Public and school libraries also promote math and science education by using new technologies to give teachers, students, and parents greater access to science and math information and resources. The Radnor High School library in Pennsylvania, for example, instructs science students in the use of electronic databases like DIALOG for performing science research. Automated bibliographic networks allow users to identify, locate, and obtain highly specialized information from libraries throughout the nation.

A number of libraries also sponsor instructional television networks which provide instructional programming to the classroom and to the community at large. In Leon County, Florida, for example, the library-sponsored instructional television network offered a series of after-school programs designed to help students with their homework and to familiarize and involve parents with what their children are learning in the classroom.

Libraries also provide students and their families with free access to microcomputers and other expensive information tech-

nologies which they may not be able to purchase on their own. Last year 44,000 people used the free Apple microcomputers offered by the New York Public Library at 54 locations, many of them students working on classroom assignments. The library is the only place in all of New York City where microcomputers can be used for free.

Goal No. 5: By the year 2000, every adult American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship.

Libraries continue to play an instrumental role in battle against illiteracy. They have proven to be particularly effective in reaching and educating adults with the lowest literacy levels. Frequently, adults with low literacy skills have had humiliating experiences in school classrooms and are more comfortable with literacy programs provided at their neighborhood library.

Because they do not have the same stigma as schools and other public institutions, libraries are an important way to reach people who are functionally illiterate. The Onondaga County (NY) Public Library conducts outreach for its literacy program at the waiting rooms of social service agencies; libraries in South Carolina target outreach to persons at substance abuse treatment centers; the Missoula Public Library in Montana offers a literacy program at a local mall; and the Lane County Library in Oregon uses a bookmobile to deliver literacy materials and instruction to rural residents.

Libraries have also been effective in delivering literacy instruction to members of special population who are often overlooked by other providers. In Colorado, a library-sponsored bookmobile provides low-literacy reading materials and literacy and English-As-A-Second-Language instruction to migrant farmworkers throughout the state. The Chicago Public Library offers library services and peer tutoring to inmates at the Cook County Jail. The New York Public Library has provided English as a Second Language instruction to 11,000 adults and literacy instruction to another 3,500 since 1984.

In addition to attacking illiteracy, libraries also provide critical resources to respond to growing basic skills deficit in the American work force. There are few jobs that do not require sound basic skills. One study of a broad cross-section of occupations from professional to low- and non-skilled found that fully 98% of them required reading and writing skills on the job. Yet an estimated 20% of the work force today have deficient basic skills, reading at or below the 8th grade level. Most job-related reading materials, however, require at least a 10th to 12th grade reading ability.

As the "peoples' university", the public library is also an essential resource for the pursuit of lifelong learning by adults. Lifelong learning has now become an economic imperative as skill levels rise and the economy changes. As it is, Americans change employers and occupations more frequently than workers in all other advanced industrial economies. Every year 20 million Americans take new jobs. Only 25% have previous experience in the same occupation—the rest need additional training.

Libraries are working to fill the gap. Last year in New York State alone, over 428,000 people obtained job, career, and education information and counseling services through their local library. These users received career counseling and advice on developing a resume, information on job and educational opportunities, and participated in programs

on how to start small- and home-based businesses.

Mr. Speaker, I would like to conclude by stating that libraries, books, and information were never more important to the American democratic process. We need information. We need information in our libraries that tells us what the real scandals in our Nation are. We need information that tells us what it means to have a savings and loan bailout, what it means to have banks going broke and the Federal Government using the taxpayers' money, having to bail them out. We need information about that. We need information about the expenditure of \$28 to \$30 billion on intelligence gathering, CIA and other intelligence operations. We need information to find out more about why they continue to spend that kind of money, \$28 to \$30 billion to gather information to spy when the cold war is over. We need information to tell us that welfare and welfare recipients is not the problem in this country. If we cut out all the welfare programs, left the widows to die, left the dependent children to die, left the homeless, if we cut out all the welfare programs in the country, we only reduce the budget by 1 percent, 1 percent. On the other hand, we continue to spend an enormous amount of money for weapons systems. We continue to spend \$150 billion for overseas bases. We need information about how our Government is operating, how our Government has failed with people.

Mr. Speaker, the people of America are angry. They need information from libraries to tell them what to be angry about. The need information so they will not trivialize the Congress, trivialize the government process, and focus on items that have no consequences, diversionary kinds of information. They need to know what the real bank scandal is in America at this point. They need to know \$155 billion has been expended to bail out the savings and loan associations and coming back for another \$25 billion. They need to know that \$25 billion has been appropriated for commercial banks, and they will be coming back soon.

American people need information more than ever before. It is a very complex society. We need as much education as we can get. We need as much information as possible. The people perish for lack of information. Our democracy will cease to work unless we have more information. Libraries are major vehicles for providing that information, and this National Library Week I hope that all Americans will understand that their Congressman, the legislators and decisionmakers in Washington need to be educated about just how important libraries are and the kind of bargain we get when we spend a dollar for our library services.

Mr. SPRATT. Mr. Speaker, America's libraries are at the forefront of the movement to

ward meeting the national education goals. The contribution which public libraries make to the education of American children is far reaching. Yet if all children are to start school ready to learn by the year 2000, our public libraries must be strengthened.

In South Carolina, public libraries have traditionally provided materials and programs that enable parents to become their child's first teacher. The many parents who take advantage of these resources provide their children with a lifelong gift by introducing them to the public library.

I am especially proud of a project at the library in my home county of York, SC. This new project, funded by the Library Services and Construction Act, is called New Beginnings—Books and Your Baby. Parents of each newborn baby in the county receive a packet that includes a first picture book to be read to the child, an attractive brochure which focuses on the books, and videos and programs available at the library and in bookstores. The packet also gives tips for sharing books and stories with young children, and lists books and videos on parenting that the adult may borrow from the library. A list of public libraries in the country and an application for a library card complete the packet, which is distributed by the hospitals in York and mailed to families of babies born outside the county.

Statistics show that in South Carolina, more than half of mothers with children under 6 work outside the home. As a result, thousands of children spend most of their day in day care, child care centers, or group homes. Public libraries are directly concerned with this situation, and have an institutional mandate to provide books for all preschool children and to encourage their use by parents and adult caregivers. This function is an important early educational step, because reading aloud to children and demonstrating that reading is exciting are the most influential factors in raising readers.

Mr. Speaker, if our children are to start school ready to learn, programs such as New Beginnings need to be encouraged. These sorts of preschool activities at public libraries contribute to the overall readiness of our children as they prepare to enter school, and thus serve the public interest in a dynamic and vital way.

Mr. COSTELLO. Mr. Speaker, I rise today to speak about the importance of libraries to our Nation. The role played by libraries across our country is both necessary and critical to the education of our children and communities. Because it is currently National Library Week, it is fitting to recognize the significant function of libraries in society to provide information and to encourage reading and learning.

While the Federal Government does not have primary responsibility for the funding of public library services because of State and local obligations, it is evident that the Federal funds allocated to library systems through the Library Services and Construction Act do make a difference. LSCA dollars are generally used to improve service to underserved communities and residents who need extra efforts or special equipment. Funds are also used to help link libraries across State, county, and city lines to expand the information services available to our Nation's citizens.

The investment of Federal dollars in Illinois has directly improved and expanded library service to Illinois residents. Over 90 percent of the Federal funds allocated to the State have been used for actual programs rather than for administrative costs. Because more of Illinois is unserved than served by public libraries, it is critical for the Congress to continue its strong commitment to funding library systems.

As many of my colleagues are aware, Illinois is a State with significant historical interest. The contribution of libraries to the culture and continuing learning in southwestern Illinois is one that cannot be overlooked. Therefore, I believe it is important to reaffirm the need for a strong and vibrant library system. I stand ready to work with my colleagues to strengthen libraries through legislative action on literacy programs, the Library Services and Construction Act, and Higher Education Act title II grant programs.

Mr. DERRICK. Mr. Speaker, a library is often evaluated on the size of its collections or the size and condition of its buildings. Library collections, that is books, tapes, disks, magazines, newspapers, are the sources of information provided by our libraries.

Bricks and mortar are important elements in the provision of library services. The Congress has provided Library Services and Construction Act, title II to meet public library space needs.

But, perhaps the most important element in providing library services is not the size of the collection or the buildings, but the dedicated staff working in our libraries.

This week is National Library Week. This year's theme is "Your right to know: Librarians make it happen."

Librarians often introduce children to the wonders of language through story hours and other programs. Librarians help students locate information for school assignments, and more importantly, teach them how to use the library. They help the business community find the right piece of information to make informed business decisions. They provide a wide range of services for senior citizens. Librarians touch the lives of all our citizens.

The recent Second White House Conference on Library and Information Services passed four resolutions proposing programs to expand professional education and staff development in libraries. These programs are essential if libraries are to have the necessary staff required to meet the challenging informational needs of the 21st century.

Mr. Speaker, I am pleased to recognize all those who work in libraries as we celebrate National Library Week.

LIBRARY SERVICES AND CONSTRUCTION ACT

SPEECH OF

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. SPENCE. Mr. Speaker, the Library Services and Construction Act has targeted the elderly, the fastest growing segment of our Nation's population, as a priority. While most

senior citizens enjoy good health and are able to visit their public libraries, many are unable to do so. Our public libraries have developed extensive outreach programs to bring library services to these people.

Public libraries have designed programs for nursing homes and senior citizen centers. A highly successful project is conducted in my home county of Lexington, SC. This project has a staff member who develops programs and presents them throughout the county. The programs are designed to inform and stimulate those attending. Originally funded by a Library Services and Construction Act grant, it is now entirely funded by local appropriations. This is a perfect example of using Federal funds to demonstrate a service which can be picked up with local funding, if successful.

Another project in my district in Richland County provides salary assistance for a staff member who provides personalized service to homebound patrons.

As people age, their eyesight often deteriorates. For those who need it, audio books are available from the South Carolina State Library in cooperation with the Library of Congress. These talking books continue to provide countless hours of reading enjoyment to senior citizens who are eligible for the service.

The role of public libraries is changing as our society changes. It is important that the Library Services and Construction Act provide funds at the State level as a catalyst for developing new and innovative programs in our communities.

THE REAL NEEDS OF THIS GREAT NATION

The SPEAKER pro tempore (Mr. GEJDENSON). Under a previous order of the House, the gentleman from Illinois [Mr. HAYES] is recognized for 60 minutes.

Mr. HAYES of Illinois. Mr. Speaker, it is now time for us to focus on what many of our citizens feel are the real needs of this great Nation. I, as a Member of this Congress for 9 years now, and will be bowing out at the end of this term this year, have, since 1984, raised what I consider to be an issue that has to be dealt with and can no longer be circumvented, and that is, of course, the question of jobs.

□ 1520

In 1984 I presented a bill called the Jobs and Income Act, which died without any real movement. A year or so later I raised the issue in a quality-of-life act in the form of legislation which was not acted upon.

So for the last decade, this country has been slowly falling into an economic catastrophe. Nearly 9 million Americans are unemployed and 1.6 million have exhausted their unemployment compensation. The current recession has showered our Nation with families that are struggling to put food on the table and pay the rent. To them it is no longer a recession, it is a depression.

Imagine the frustration and despair that the working fathers and mothers

endure when they cannot provide food or shelter for their children, or must choose between medicine and other bare necessities.

At times it seems as if this administration believes that human suffering cannot exist on American soil. People are homeless and hungry, and this administration's response until a few weeks ago was that the recession would be over soon. It seems that they are finally waking up to what is an economic crisis, but they are not prepared yet to really do anything about it.

Ask in any city or town in this country and they will freely tell you what the state of the Union really is. They will tell you that we are in need of rebuilding this Nation, the economy, the infrastructure, and how great the need is for housing.

I am certain the public will be quick to tell our President that the need for refurbishing, rehabilitating, rebuilding, is right here on U.S. soil, as we continue to engage in debate as to how we are going to help other nations and their sick economies, such as the Soviet Union.

Our cities are suffering and States are suffering. We must ask why the leadership of this country, including the leaders here in this Congress, are so quick to support phenomenal levels of spending to help new and emerging democracies abroad when democracy is not even guaranteed here in America.

In order to be a part of the democratic process, it is important for a person to have a decent place to live and be able to have some food and get quality education. My priorities simply never change. We need to preserve our democracy right here at home. We need to provide jobs for American workers.

This is one of the best ways to reduce our deficit. Anyone knows that the best way to get out of debt is to increase your income. If we can take some of the people off of some of the public assistance programs, not in the manner in which they are doing it in my State of Illinois, where they are cutting people off of public assistance in order to so-called balance the State budget, who have no other means of subsistence, but if they had a job which they could go to and pay taxes, this would help the revenue side of our State's income. The same is true for the Federal Government.

There is a nationwide jobs emergency and this Government must immediately respond to that need. That is why I have introduced H.R. 4122, the Infrastructure Improvement and Jobs Opportunities Act of 1992. This legislation will help create jobs to build the infrastructure of this country, improve the quality of life, and return dignity to American workers.

Common sense should tell us that the best and most long lasting way to decrease the deficit is to put people back to work, and not view those who hap-

pen to be on some kind of public assistance programs as outcasts in our society. Many would prefer to have a job where they could earn their own income and not have to depend on these subsistence programs.

Yes, and I repeat this, this would, in fact, increase our revenue by increasing the pool of taxpayers.

The Infrastructure Improvement and Jobs Opportunity Act of 1992 will create job opportunities at the community-based job projects that renovate and rehabilitate the public infrastructure, including our Nation's roads and highways and bridges, and, yes, our antiquated sewage systems in many cities.

Public schools are closing in Illinois and in the city of Chicago, or being proposed to be closed, because we do not have funds to keep them open. There are historical sites that should be retained, but we do not have the funds to do it. But this could be jobs.

You are looking at a person now who during the early days of the Depression in the thirties upon finishing high school set out trees as part of a public works program. They called it the Civilian Conservation Corps. We set out trees on the banks of the Mississippi River in the State of Illinois in order to halt the erosion of soil into that river.

We need to have programs that are going to provide for the protection of our environment. Maybe not that same program, but something similar to that. Certainly it seems to be the direction we should go if we have some kind of public works program.

Each job project under the proposed bill that I mentioned will be selected by a local district executive council. The projects will provide employment and training, which is needed, and provide services for the American workers.

Over 2 million people are currently eligible to participate. The Bush administration's economic policies are clearly creating persistently high poverty and increasing the gap between the haves and the have nots. Not only have the rich gotten richer, but the poor have slipped so far behind that any real recovery at times seems uncertain. It looks like some of them will be slotted into the ranks of the permanently unemployed.

With shortfalls in the minimum wage, the spiraling cost of health care, and the diminishing coverage of unemployment insurance, those living in poverty continue to lose out under the current economic system. This is the state of the Union, and it must be addressed.

Those that are suffering because of the economy and this country's lack of direction must be recognized as part of the 1992 forecast. The quality of life is deteriorating as drugs, homelessness, and crime are on the rampage. Anyone that tells you that there is not a rela-

tionship between unemployment and some of the crimes which pervade our neighborhoods today does not know the facts of life.

□ 1530

The leaders of this country must remember that rhetoric is fine, but it does nothing to assure that Americans have a decent house, adequate health care, quality education. Without it, the likelihood of getting a job in the future is almost virtually nil. And jobs must be provided at a decent wage.

Some people who now may have jobs who used to a few years ago, before the plant moved or closed down where they used to work, if they are lucky enough to find a job, it is at a wage that keeps them at the poverty level, which is what the minimum wage does, if one has a family.

Investment in the citizens of this country is my primary concern, and a critical starting point is a decent paying job. As the first international union leader ever to be elected to this Congress, I have spent a lifetime working for ordinary people. I have heralded the cause for full employment for over 50 years. Jobs are certain to be one of the major issues addressed by this Congress in part because many of us in the Congress have maintained a vigil for a jobs bill over the years.

The President and others have just miraculously have happened upon this issue.

Mr. Speaker, the conditions of joblessness are apparent on every street corner in every city and town, and even some of our poor farmers are being forced to lose their farms.

I do not think they can any longer be ignored.

Mr. Speaker, I urge my colleagues to support the Infrastructure Improvement and Job Opportunities Act. And I look forward to assisting in the battle to create a comprehensive jobs bill before the end of this session. It is something that is really needed.

As we talk about the right to life of the unborn, we should consider those who are already here and not be hypocritical, do something about providing a way of life for themselves, for their parents and, yes, let us stop talking about what we are going to do or we cannot afford it.

Do we know how many houses that we could build in Chicago where people are sleeping in vacant buildings now, waiting for it to get a little warmer so they can go to the parks and sleep? Just at the price of one Stealth bomber or one B-2 bomber.

We have got to get our priorities straight. We should not have people going to bed hungry in a country, this great Nation of ours, which prides itself, some call us the superpower of the world. How can we be a superpower and forget so many of our people and citizens who are in need?

WHAT IS THE PRESIDENT'S PLAN?

The SPEAKER pro tempore (Mr. JONES of Georgia). Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

Mr. BONIOR. Mr. Speaker, I thank my dear friend from Chicago, the gentleman from Illinois [Mr. HAYES], for his views with respect to employment or the lack of it in America today. That is the issue I wish to address this afternoon.

Mr. Speaker, last week the President announced his plan to provide billions, billions with a "b," billions of dollars in aid to the former Soviet Republics. He said in a grand speech that he wanted to provide a comprehensive plan, comprehensive plan, and one might expect us to be excited. But it was not geared toward dealing with the employment problems we have here at home and the structural job and unemployment problems in America.

It was geared toward the former Soviet Republics.

Today I want to send the President a very simple message. Jobs here, Mr. President, right here at home must come first.

Mr. Speaker, President Bush's proposal is full of contradictions. The questions begin with the plan itself. Nobody seems to know for certain what it is. We do not know what the plan is.

One week after it was unveiled, journalists are still scratching their heads trying to figure out exactly what the President wants to do. Out of one side of this mouth he talks about a massive \$24 billion multilateral effort with the United States' share of about \$5 billion. Then out of the other side of his mouth he says the plan will not cost that much at all, that it will not require any new money, that somehow this is all sort of going to materialize. And it has been in the works, and it is there and not to worry about our budget, not to worry about our priorities, that, in fact, this is not going to take any strain. We can do this without any new money.

What is he talking about? What is the President talking about when he talks about this grand scheme to help the former Soviet Republics? He talks to the Kissingers and all these think-tank people downtown who make their living dreaming up these schemes ahead of the U.S. worker and taxpayer and all these editorial writers who put other countries ahead of our work people here working in America?

There is a whole clique of these folks out there, and they sit around and they worry about the world. And they do good things sometimes, but sometimes they get off track. And they fail to understand that we have limited resources and that our priorities should start at home, that we ought to take care of our own first.

I could make a good argument that we have not been taking care of our own here in America for about 25 years.

□ 1540

All one has to do is look at the various sectors of our economy and plot on a graph the curve which our major manufacturing sector has taken: steel, automobiles, semiconductors, and where we are going or not going in the future in biotechnology, telecommunications.

We have not, in education or in health care, been taking care of our own. So what is the President talking about? The truth is very simple. President Bush is trying to blur the issue of how much his plan will cost the American taxpayers. He wants to say it is a big plan so he can satisfy the Richard Nixons and the Henry Kissingers and the editorial writers downtown here who did this incredible spread in the newspaper for about the last 6 months, telling everyone in the country and in this town that there would be massive starvation in the former Soviet republics; that the winter was crucial, foisting upon us this concept, the need of taking care of them and not our own, the internationalist idea of they are first and we are second.

Then he wants to say: "It is a small plan," the President, to assuage the American people who are still wracked by this Republican recession right here at home.

The President cannot have it both ways. Any way you look at it, the President's proposal will cost the American taxpayers billions of dollars. No matter how you disguise it, it is real money. It has not been spent yet.

That brings me to the real contradiction in the President's approach. It is not the details of the plan, and I would argue that clearly there is a need for stability within the former Soviet Republics and we ought to be as helpful as we can where we can. It is not the vagueness of the funding or the confusion about the substance.

The real problem has to do with the President's own priorities or the lack of priorities of this administration. While our own economy reels from 12 years of Republican mismanagement, and while our middle-class and middle-income families are squeezed at almost every angle, squeezed to pay their mortgage, squeezed to provide tuition for their child's education, squeezed to pay for health care benefits that are rising three and four times the rate of inflation, while our families are struggling, how can the President even consider a massive foreign aid plan for the former Soviet republics?

The Republican recession continues to grind away at American families. Unemployment. You would think we were in this boom period in America, if you listen to my colleagues on this side of the aisle, if you read the editorial

writers, if you read the business page and the economists who say we are coming out of this recession.

We have been coming out of this recession for 2 years and unemployment is at its highest level now, 7.3 percent, officially. That is officially. I should tell you about "officially," because a year ago when the recession began the Bureau of Labor Statistics could not find 650,000 people who were out of work. They recently admitted to that. How can you lose over a half a million people?

So the official rate today, from those same people, is 7.3 percent. But if you include discouraged workers and people who are working part time and cannot find full-time employment, the percentage is closer to 14 percent of Americans today who cannot find full-time employment, 14 percent.

Of course, it is even higher in Michigan, where the official rate rose to 9.3 percent in March. Mr. Speaker, that is a half a million people out of work, people who have to go home, or are home, people who are mentally discouraged, who have to face their families and deal with all the rising expectations that this society lays upon them hour after hour through this telecommunication age that we live in.

If any of you know of people who are out of work or if you have been out of work yourselves or if you have had a parent or a family member, you know how mentally anguishing that is, let alone the deprivation of being able to provide for your family, how mentally anguishing it can be. Rising health care costs, rising education costs, and the Republican recession continues in this country.

How has the President responded? First he denied there was even a recession. We all remember the wonderful afterglow of the President relaxing, and he deserves a vacation, I don't fault him for that, he does work hard, but I will never forget those pictures on national television the summer before last, a summer ago, when the President, after the gulf war, was in Kennebunkport fishing, playing golf, and had before him a bill that we had passed in this body, over the Republican objections, for unemployment compensation for people who had been thrown out of work.

The President said: "We don't need it. It is not an emergency. We are not in a recession. Things are moving fine." In fact, the Secretary of the Treasury said at that time the recession was no big deal, slapping every working man and woman in this country in the face.

The other guru of economics downtown, Mr. Darman, said: "Unemployment compensation, you know, that is something that will just perpetuate people to not look for work." It is kind of interesting that the three folks down there that make economic policy,

Mr. Darman, Mr. Brady, and former Secretary of Commerce, Mr. Mosbacher, and people who live off their own trust funds. These are wealthy people. I don't begrudge them their wealth, but they have no sense of the pain that is going on out there to make statements like, "The recession is no big deal." "Unemployment compensation perpetuates people not working." What kind of nonsense is this?

We sent the President the unemployment compensation bill and he vetoed it because he said the recovery was right around the corner. Then he vetoed our tax cut that we provided for middle-income people who are squeezed on all these fronts, on health care and education, who have difficulty finding work. We were going to put \$600 to \$800 back into their pockets, paid for by the wealthiest Americans, the top 1 percent, about 2.5 million Americans who make between \$315,000 to multimillion dollars a year, the wealthiest who made the best deals for themselves in the 1980's. We asked them to share in the sacrifice to get the economy moving again and to help those who are not so fortunate. The President vetoed that.

Now he wants to send billions of dollars to the former Soviet Republics. They still don't understand. They don't get it. Last week he gave a news conference where he pledged to mount a massive lobbying campaign on behalf of his Soviet aid plan. He said he would mobilize the executive branch, the Congress, and even the private sector to support his plan. It was almost like a mission coming out of his soul and his heart. It is as if he is stuck with international serum in his veins.

Secretary Baker said there was no higher priority than this aid plan, no higher priority.

Mr. Speaker, the President has got his priorities all wrong. He ought to be mobilizing a massive lobbying effort to support a plan to revitalize this American economy.

□ 1550

We hear nothing about how we are going to regroup and adopt an industrial policy in this country that will be competitive with the Germans, the French, the Japanese, most Western developed societies. They know where they want to go in engineering, they know what they need to protect in automobiles, they know where they want to go in biotechnology, they know where they want to be in computers, telecommunication, and they have a plan to get there. They have a plan to train their people so they are educated to meet the goals.

We do not even have a national health care plan in this country. All of these other places dealt with that issue generations ago. And we sit here with a health care system that is a disaster. It is out of control, and costs are rising

three and four times the rate of inflation. People at the bargaining table are negotiating whether or not and how much of their health care system they can keep. Wages are not even on the table anymore. And at any one point in this year we will have 60 million Americans without health insurance. It is a disgrace. It is an utter disgrace.

We have no plans on how to get the economy moving, no plans to deal with the unemployed, no plans to know where we ought to go with an industrial policy, no plans for an educational system that will provide excellence.

Mr. Speaker, the President has got his priorities all wrong. His highest priorities ought to be our own economic recovery here at home, and even more important than that, where he wants to lead this country in the areas I have just dwelled on. What is he thinking about?

Mr. Speaker, I intend to do everything I can, I pledge to do everything I can to defeat the President's Soviet aid plan until he gets his priorities straight. Jobs for Americans must come first. An auto worker in Michigan is as important if not more so than an unemployed worker in Moscow. And until the President agrees to support two pieces of legislation to put our economy back on the road to recovery, I will actively oppose the Soviet aid proposal.

Our first domestic need is a bill to make permanent reform in the unemployment benefits program. We cannot have 14 percent of our work force, most of whom are not working, not receive benefits. Since the recession began in July 1990, Congress has passed four bills to provide emergency benefits to the victims of this Republican recession, and although President Bush killed two of them, he allowed two to become law, embarrassed into the third and acquiesced on the fourth. But these emergency bills will expire on July 4, even though the unemployment rate, as I said, is higher today than at any point since the recession began. We need legislation to provide an extension of the emergency benefits, and we need to make permanent, so that we do not have to go through this charade month after month after month while people worry where their next check is coming from. Every decent industrialized nation on the face of the Earth has an unemployment compensation policy that is in place and that is triggered, and that workers and their employers have invested in, and there is certainty of a payback when the economy moves downward, except us. Like everything else this administration stands for, there is no sense of where they want to be. We need to make permanent reforms so that we do not have to pass an emergency bill every 4 months when the American workers are hurting.

The second thing I am going to insist on is we need an accelerated jobs bill to put our own people back to work. My God, you walk, you ride, you fly across this country and you see America in many respects, despite its beauty, and its grandeur and its magnificence, in decay. Our parks, our schools, our highways, 61 percent of which need repair, our bridges, two of which fall apart every day. There is much work to be done in this country, and every community that we represent has a list sitting in city hall or the township hall of things they want to get done for their citizens, whether it is a water treatment facility or a boardwalk, a library or a school renovation, or bridges or roads that could put literally millions of people back to work. The building and construction trade industry in this country is suffering from unprecedented high unemployment, plumbers, carpenters. All these people could get put to work in a constructive way to make this a richer and a better country for our people to live in.

So I am advocating and will insist on an accelerated jobs bill to put our people back to work. And the gentleman in the respective committees who have advocated this, the gentleman from New Jersey [Mr. ROE], the gentleman from Michigan [Mr. CONYERS], and the gentleman from Mississippi [Mr. WHITTEN], all have proposals to do that.

We have to pay for it. I have an idea how to pay for it. I am not wedded to it. I will accept other ideas. But it seems to me we ought to be able to raise a surtax on millionaires like we did to pay for the middle-income tax cut bill, and raise millions of dollars over a period of time. We ought to cut deductions for the CEO's who make over \$1 million a year, as bloated and as preposterous as that sounds and seems, and it is, and it happens on a daily basis in America, on a yearly basis, and they deduct that stuff from their taxes so that the rest of us have to pick it up. No more. We could save literally billions of dollars there to put our people back to work.

An unemployment compensation bill, permanent and accelerated public works jobs bill, these two pieces of domestic legislation can easily become law if the President will join us in taking care of our own here at home. If he showed the same determination to get these bills passed as he has toward the Soviet aid plan, his love for Red China, we could turn our economy around, and that is where we need to start. And once we have accomplished these goals that could be done in a matter of weeks, then and only then, can we move on to the President's plan for the rest of the world, which in some areas, and to some degree, has merit, and at some point which I will be willing to come forward and acknowledge. But not until we take care of our own here at home.

It is easy to get mesmerized around here by the charm and the elegance and the excitement of international relations. Most of us studied it in school who serve in this body. But the tough work is making sure things work here at home. That is where the responsibility is foremost, and that is where our attention ought to be focused.

So Mr. Speaker, I thank my colleagues for allowing me the time to express myself on these issues, and I yield back the balance of my time.

□ 1600

AID TO THE COMMONWEALTH OF INDEPENDENT STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. NAGLE] is recognized for 60 minutes.

Mr. NAGLE. Mr. Speaker, I would not profess to have the eloquence of the gentleman from Michigan. I cannot speak with such force as he just did.

But I would say at the outset that while he is my good friend and a colleague of my party, I disagree with him, and I disagree with him most forcefully.

I think it would be a tragedy if this Congress and this House stood in history's light as having lost the peace. I note that we spend in this country \$290 billion a year annually on defense, \$290 billion of which, and this may shock those who read these words, \$150 billion is spent defending Europe and Japan. Against what?

For the most part we have appropriated that money annually, and sadly in ever-increasing amounts, to defend against the threat of a world dominated by communism. We have gone to great lengths and great sacrifices since 1948 to defend Europe to ensure its freedom, to see that we had allies, and in the process ensure that we here at home were also secure.

Unfortunately I think that we are spending more than we need to spend.

I think our nuclear force is redundant. I think we have bought every program without necessarily the care that we should, and I think it is now time, if not time before, to say to our European allies and to the Japanese that while we do not expect them to rearm, we do expect them to pick up a portion of the cost of maintaining freedom and democracy and the security of their borders. Clearly their economies can afford more than what ours have. But would it not be wonderful, would it not be grand if this Congress, singularly despised by the public that we are, left behind a gift for future generations that no nation had to spend that kind of money defending against a threat because that threat no longer exists? And that really, in a nutshell, is what is at stake when we undertake the debate and the discussion of wheth-

er or not we should go to the aid of the Commonwealth of Independent States, the former Soviet Union, or not. I think that is at the heart of it.

I share the frustration of my colleague, the gentleman from Michigan, and his anger at the recalcitrance of this administration to recognize that the economy is down and needs fixing, that fails to be willing to stand back and repudiate 12 years of policies that have led us to this decline, and that is unwilling even in a moment of trial for many Americans to step forward with a bold new program that helps those who have lost their jobs, for those families that have seen their real net worth decline, and says to us again, as President Reagan said to us in 1980, that the way out of this morass is simply to give the rich people more money and hope that they share it with us.

I endorse his proposals for public works. I endorse his proposals for unemployment compensation. But I stand back from him, and I stand back probably from what is going to be the coming storm in debate within this Chamber that there should be linkage between the situation in the Commonwealth of Independent States and the situation in domestic America. I say do both. And I say do not link one to the other. Pass those bills.

Put the responsibility on the administration for acting or not acting or reacting.

You see, one does not preclude the other, and, indeed, if we are going to rebuild this country, then it is absolutely essential that we bring down the amount we are spending on defense, and no reasonable person could argue that the surest and the safest way to do that would not be to simply reduce the amount that we are spending on defense, because it is not needed.

Because the Commonwealth of Independent States, Russia, Ukraine, Belorussia, Kazakhstan, all 14 Republics can step into the community and the family of nations, not now as adversaries but as friends and trading partners, and the isolation that has blocked us from the advantages of their rich culture and their rich history can be removed, and the synergistic effect of the emergence of new ideas with the old can truly lead to world peace behind us.

But we have to act, and we have to act quickly. If I have a criticism of the administration it is that they have not acted quickly enough, and if I have a second criticism of the administration, it is that their proposal does not go far enough. It does not do enough.

I suspect it was made in response to criticisms voiced by myself and President Nixon and Governor Clinton that they decided that they had to put this package out, and I said at the time will they come down here and fight for it; will they make the case, or is it simply a political step back from the criti-

cisms that they have been receiving for their timidity and their meekness in the face of challenge? To me it is puzzling, utterly and unalterably puzzling, that an administration that can organize the whole world to go to war is taking such a slow and recalcitrant step to go to peace. Be that as it may, that is what they have chosen to do.

I would like to think that I have developed some expertise in this area. I always face the burden when I speak to the floor that because I am from Iowa people assume I can only talk about farm issues, and I can talk at length about those, and I can talk at length about what the administration has done to American agriculture. But I have also taken the time over the last 3 years to study the relationship with the Commonwealth of Independent States, to familiarize myself with it, and I confess there is an Iowa root to that connection.

Because my great State has managed throughout the entire cold war, through periods of detente and periods of thaw to maintain a relationship with the then Soviet Union, but now the Commonwealth of Independent States. It actually started in 1958, when Nikita Khrushchev chose to come to this country and chose wisely, I think, in the course of coming to visit Iowa, and hook on with a man by the name of Roswell Garst and the Garst family, and their successor in interest, a young man at that time, now a man of moderate age, John Crystal, who has maintained and our State maintains, ties with them. Our Iowans went there, and Russians came to our country, and while the President and the Soviet Premier would be throwing barbs at each other and nuclear threats, Iowans would continue to talk back and forth to them.

We have come to appreciate their talents and their capabilities, and we do not appreciate and never did their system of government or their lack of democracy.

I went to Moscow in December. It was my second trip to the Soviet Union. I was there 2 years ago. I say quite categorically and on the record in public that I personally do not think that the odds of them being able to make a successful transformation economically on one side and politically on the other side is by any means preordained to succeed, and, indeed, I would argue that the odds are at best 50-50 that a Yeltsin type of government with a Russian Parliament can succeed, that we will be able to avoid ethnic strife, that we will face the danger as we do to this day of civil strife in a country with nuclear capability or between two countries formerly united with nuclear capability.

I can tell you quite simply and quite sincerely that the situation on the streets of Moscow is desperate, desperate in some ways that even defy our imagination.

Before I went, I went to a hospital in Waterloo, IA, and I asked them to give me a list of everything that you would need if you were just basically going to run a hospital, things like syringes, insulin, aspirin, bandages, crutches, anesthetics, antiseptics, anesthesia. I went there and presented that list to the head of the equivalent of the oblast, region, of our medical association took him a handwritten list, and did not change it from what they had prepared. It was three pages long. He asked for a day for him to study it and for me to come back, and I did. We met at the White House, their White House.

□ 1610

He handed the list back in front of a group of other physicians the next day, and he said, "Congressman, we need everything on that list," and they do.

They said, "We need your medical equipment, but we do not need medical equipment made probably after 1980, because we do not have the expertise to use it, and if it breaks down, we wouldn't know how to repair it; but your antiquated medical equipment is something we need."

We talked about how Russian citizens today are treated, and it is very simple. If you are old and ill, you simply lay in your home. If you are young, they are particularly short of medicine for children.

They need everything that a hospital has, and they need it desperately and they need it quickly.

That is not their only problem. When I was there in June 1990, the ratio of a ruble to a dollar was 3-to-1, three Russian rubles to one American dollar was the official exchange rate. When I arrived back there in December 1991, the ratio was 90 rubles to 1 American dollar. When I left there a week later, the ratio was 100 rubles to \$1.

The price of a chicken when I was there at the government store was 1 week's wages. You would work a week to earn enough to buy one chicken for your family. A slab of baloney, and anyone from Iowa has some expertise on that, I like to think anyway, a slab of baloney was 10 days' worth of work.

People were standing on the street corners, near the empty department stores, selling personal items, their ties, bras, pins, handkerchiefs, coats and clothes, to try to get enough to buy food to keep up with inflation.

Now, you take a country that has no history whatsoever of democracy from the time of the Czars and you take a history in which there is not adequate medical supplies, and there are not, and you take a country which has no history of free economic systems, and you tell them to make those transformations overlaid on social unrest and hardship, you put an enormous burden on them. It is in our interest that we make sure that they make that transformation, because everything

that the gentleman from Michigan cares about and that I care about can be done so much easier if we are in accord with them, as opposed to being in opposition to them.

So I disagree with linkage and the concept of linkage.

When I came back, I did something that received some note. I called every major Democratic Presidential candidate, got them on the phone, they were kind enough to take my call, and I said to them, "You know, we have got to give the President a political license to act if he chooses to do so."

Paul Tsongas from Massachusetts, the first one I talked to, fortunately, on a Saturday afternoon said, "You know, we ought to send a letter and we ought to tell the President that assisting Russia and the Commonwealth of Independent States to make the transformation is beyond politics. It is a matter of statesmanship and it is a matter of policy."

I said to him, "Senator, that is an excellent idea. I will undertake to draft a letter and circulate it among the six candidates and ask them to sign it and present that to the President so that he will know from our side he is free to act boldly and he is free to act vigorously."

It took a week, not an uncommon length of time when you are dealing with six different Presidential campaigns and three different time zones, with Presidential candidates scattered all over the country at that time in December, but by the end of 10 days we had an agreement and we had a letter signed by Governor Wilder, who was then in the race, by my own Senator HARKIN, by Governor Clinton, by Senator Tsongas, but Senator KERREY chose to issue his own letter, but the text was almost identical to ours.

What we said to the President was, "Mr. President, you may act. We will not criticize you."

It was an extraordinary act by those candidates, each vying with the other to receive political advantage, to be willing to step back from that combat and those contests and say to the President of the United States, "We will act as statesmen. Here is our check,"—a poor term today—"here is our endorsement for you to go ahead and act and aid them."

The President was on his way back from Japan when we called the White House and informed him of it, fortuitous timing because the President was in the process of coming back from Japan and criticizing Democrats for not supporting his initiative, but we did.

Thereafter, we have waited and we have waited and we have waited for the administration to boldly step forward and offer a plan to preserve the peace that we could support, and by their tardiness I fear now that plan is jeopardized in what can best be regarded as

partisan wrangling, held hostage to other bills and its fate uncertain.

What frustrates me, when I introduced this legislation in 1990 everyone said, "You're crazy."

When I went to the Soviet Union in 1990, I met with the Pravda editorial board and I met with a remarkable Russian that I have really come to like, Mr. Shachnazarov, a close advisor to then-President Gorbachev. He said to me, "You know, you are the first Congressman that has ever come to Moscow and accused an American administration of being too hard on communism."

I said then and I have pushed that ever since because I am convinced that cultural exchanges and the free flow of information are more important, particularly when times are difficult between enemies and adversaries, but on November 20 under the leadership of Senator NUNN, he of the other body, and Mr. ASPIN, the chairman, of course, as we know of the House Armed Services Committee, allocated the administration \$165 million in humanitarian assistance. It was distressing to me to learn 2 weeks ago that most of that money has not been spent and that those goods are still tied up in American ports, languishing there while we wait for the administration to free them and spring them. It was distressing to me, did not bother others, but it bothered me to the devil, the fact that a lot of the money is being used by the State Department to give to the Department of Defense to pay for the transportation costs. It seems to me that we meant that money to be used for them, not for one branch of the executive wing to reimburse another division of the same executive wing, set that aside.

On November 23, an organization called Prodimorg came to me and said they wanted to buy 30,000 metric tons of the best of American pork, and they wanted a GSM, that is a guaranteed sale, at a world price, which would require an EEP, that is an export enhancement—you do not have to know about that—but what they wanted to do was they wanted that sale and they wanted to buy it from us. That was November 23.

The USDA finally got around to approving it sometime in January and sent it to what is called the IGA, the Interagency Group, the Trade Policy Council, where the administration proceeded to review it, review it and review it.

Now, while that review was going on, the St. Petersburg oblast, which is a region of St. Petersburg, came in and they wanted to buy 21,000 more metric tons.

I want to tell you something, that is a lot of pork. Sure, the hogs would prefer it to be beef, but they wanted pork.

Now, 50,000 metric tons of pork represents 50,000 days of labor in the meat

packing industry. Fifty-thousand metric tons of pork represents an increase of one-half, by 50 percent, of our worldwide exports for all of last year. It uses up 5 million bushels of corn and a million bushels of soybeans.

This was not a giveaway. For those of my colleagues who may not know, it is 12 to 15 cents a pound on a live hog. It is a lot of money.

□ 1620

It would go to American farmers. And it was exactly what the Russians needed.

On March 25—you heard me correctly—March 25, that is 5 months and 2 days later, the administration said, "No." And the sale was lost. And I met last week with the PUSDONTORG as they left town, discouraged, not really believing the administration really was committed to help. The \$165 million in humanitarian aid was still sitting on the docks waiting to be shipped.

Now the administration comes forward with its proposal, proposes to stabilize the ruble, which is good; it proposes finally to allow them to join the International Monetary Fund, which is good, but continues to exclude them from the OECD, the Organization for Economic Cooperation and Development. It continues to exclude them from what is called the Mitterrand bank. It continues to oppose their inclusion into the GATT negotiations other than as observers. Once we get them into this marvelous accomplishment, we are going to have to go back and negotiate trade agreements with them and we are not going to start the integration that they need to have into the world economy.

They want to buy our finished products, our farm products. I can tell you that their processing system, the time it takes to get a hog from slaughter to pork that you could put on a supermarket shelf, their processing system is just as messed up as their distribution system.

The mayor of one small Russian village south of Moscow about 75 miles told me his village sent 324,000 chickens to Moscow to be processed, never got one of them back. Another individual told me, he from the outer regions, a member of Parliament, that in his region—and we were talking to two of them together sitting right across from me—he said in his region they do not have any livestock. The fellow next to him said, "In my region we have livestock but it is starving to death and we cannot process the food." You cannot believe until you have seen it how fouled up, how messed up, how distorted the Communist market economy system is or the Communist system is. It just does not work.

Before I went there in 1990, I asked Dr. Brezinski what is the fundamental problem with the Soviet Union? He told me, he said, "Congressman, the

fundamental problem is nothing works." I said, "Oh, you are a hardliner." I said that out of respect. I said, "You are a hardliner, you don't like Communists, you don't believe in them, and I don't accept that." Well, I went there and I saw that he was too modest in his assessment. Nothing works and nothing changes.

But they have a chance to make that transformation if they have the involvement of the international community and if we can recognize what is at stake.

Part of the administration's theory of assistance that I agree with, with some reservation, part of the administration's agreement in theory at least is the fact that they want to allow on the free market system the free enterprise system to go in there and rebuild the country. I do not think that that is necessarily a bad idea if it is done with some restraint.

I worry that some of the people being sent over there are true ideologues who believe that Adam Smith went too far, will not tell them about the SEC's and FDA's, will not tell them about the need to regulate the products as they come on the market and the need to regulate the environment as they come out, but nonetheless I think it is a good theory. I think it will help.

I think there are two prongs to our attack. One has to be to give them and see that they have access to enough food and medicine in the short run, to maintain the standard of living that will allow them to retain social stability. That means the finished products we talked about.

The second is I think their markets have to be open to ours and we have to have access to them.

Unfortunately for American businessmen who just want to try to take this opportunity, there are a series of legal legislative barriers that we have erected through the years that prohibit American business from interacting with them in the same way you would with anybody else in any other country.

I approached them with some trepidation, but 2 years ago I went to the groups that are most vitally affected by this policy and asked them if it was not time to step back from that. And I think I got a consensus, not from everyone, but, "Yes, it was time to step back and reexamine it and see if it is still appropriate."

I am talking about a law on our statutes known affectionately as Jackson-Vanik. What Jackson-Vanik does is it prohibits trading with any country whose stands on human rights and emigration or migration do not meet acceptable standards. It was imposed on the Soviet Union because of their absolutely deplorable record on emigration of Soviet Jewry and suppression of Soviet Jewry and the denials of Soviet Jewry. And we insisted that they pass

an open emigration law, which their parliament did. Yet I noticed when the President's proposal came down here today, he proposes to perpetuate the system we now have which allows them to waive for 1 year the applicability of Jackson-Vanik. And he has done that, to be applauded, but if you are a business person in the United States and you are looking at an opportunity for an investment and you need to go there, you need to know that you are going to be able to go there on favorable term for more than a year at a time.

So, I have suggested, and I will introduce next week, legislation which would set it aside initially for 3 years and then for a 5-year period after that so that you are assured you have access there.

Now, if things turn bad, and they may, then in that case there will be a trigger mechanism to allow reimposition. But things being normal, we will not have to worry about this administration or the next administration having to go in there and waive it again and waive it again and waive it again. If you are an American business person, you can go in there and you can trade, knowing with some degree of security that you are going to be able to be there. And it does, I might add, take time to negotiate with that system that they have.

Second, behind those are four amendments called Johnson/Byrd/Stevenson/Church, and they basically say that even if you waive Jackson/Vanik, there are still restrictions on the involvement that you can have with Russia, the Soviet Union.

The President proposes to lift those for now, but again on a temporary basis. One of them, particularly the Church amendment, I believe, prohibits Soviet investment in securities and exchanges of over \$40 million. One of the things they would like to do, I think, from my conversations out at the Embassy, one of the things they would like to do is to use their oil and gas reserves as security to get an infusion of hard cash.

I think the Church amendment, if I am not mistaken, prohibits that. Our businesses can go there, but there are restrictions on what is called OPIC's, that is Overseas Private Investment Corporation. In some countries we will, because we want that country to succeed, we will guarantee the business against a portion of their loss, to encourage investment abroad by our companies, joint ventures, and that sort of thing for the benefit of both the American worker and the recipient country's workers, and to see that they in fact buy our products if they are made here.

We have got to lift the cap on that. We also have to free any credit restrictions on what is called Eximbank's credit and trade. I would set those

aside also for much longer than what the administration has proposed.

Last, well, maybe not last, but I think the administration has to recognize that we need to take a long look at the barriers of technology.

They finally, 2 weeks ago I think, or 3, lifted some of the restrictions on technology. During the war we had a system where we put up a barrier, what you could trade and what you could not trade, with Communist countries.

It worked. Believe me, it worked very, very well because we will not send them technology that would be used to convert it into weapons. It is called dual-use. We would not restrict the level of technology through an organization called COCA. But now that our business is going there, we cannot go there and take our best products because of the technology restrictions.

Just this week, last week we agreed to buy some of their technology. At one point earlier this year, the Russians brought some of their most advanced technology over here and wanted to show it to us, and their technology transfer barriers prohibited them from even showing us what they had.

Well, our businesses cannot compete if we cannot take our best technology over there. I am not talking about militarily sensitive technology, but I am talking about phone and communications, those types of things.

Anyone who has ever been in Moscow and tried to call back here knows the problems with the Russian phone system.

□ 1630

It is almost impossible to get a phone call out of there given the difficulties that their phone system has. Their computers are, at best, antiquated. What they have, their Xerox machines, are almost nonexistent, and, if our business is going to go in there, we need to have access to that technology, to take it with us.

Mr. Speaker, I wondered about those things, and I put them in anyway. I thought in 1990 that the more they learned about us, the more they would want to be like us.

Now to the pessimist, they say, "They'll never make it. You're wasting your time. Keep the restrictions up because there will be another revolution, and they're going to fall." I do not want that to happen. And then the pessimist will also say, "They'll never make it. They're not smart enough. They're so ingrained with their system that, even if you take a modern system, they won't be able to handle it."

Mr. Speaker, I think back, about two examples to kind of show my colleagues the historical magnitude of where we are at as a Congress, and as a Government and as an administration. If that philosophy held true, the English, and the French, and the Dutch

and the Spaniards, to name a few, would never, following 1492, have invested in this country. It was too far away. One could not communicate with it. It took 3 months to get there. The indigent population was hostile to us or, at best, unreceptive to our continuing presence and buildup. But French, and Dutch, and British, and Spanish investors said, "We'll take a chance. We'll invest."

And they did, and they made profit. And the profit is there for us. If they could to it, then we surely can do it now. We surely can capture that market. We surely can be part of their economic regeneration.

And the second thing they said was, "Yeah, they'll never make it because they have no experience with democracy"; I will grant that.

In 1945, we walked into Japan as conquerors. It is almost not too little to say there was not a stone left in that country. We had destroyed their infrastructure. We had destroyed their capacity. We had destroyed their machinery and their warmaking capabilities. All as we should have. And we stepped into a society that had been feudal, with an emperor, and we said, "We're going to give you democracy."

Within 5 years Japan was a functioning democratic nation. Within 10 years, modestly speaking, their economy had started to rebound, and within 20 years they are a world economic power, and I do not need to tell my colleagues about their strength today.

Mr. Speaker, to say that Russia cannot make it because they do not have a history of it is almost expressing a cultural bias or a cultural superiority that we do not deserve. If we do this right, they will make it. They will be great traders. They will be great friends. They will be great allies.

But we have to see that they make it, just as the Japanese did, just as our ancestors saw the opportunity here. Open up trade with them, and I must say to my colleagues that in the process of visiting there I went to stores, and restaurants, and hotels that were owned by foreign entities in partnership, in partnership with them, and they work. As a matter of fact, there is one in Moscow. I think it is called the Pateeya, and I say to my colleagues, "You couldn't tell you weren't in New York City in that hotel. They spoke excellent English. They extended courtesies. It was expensive, but it was good. It was a fine hotel, and generally you'll find, when given the opportunity to utilize the free-enterprise system, they are capable of utilizing it and utilizing it quite successfully."

But we literally stand today at a brink of either opportunity or of denial. I do not know what history is going to write. I would like to speak on the floor. I think of the people who have stood on this floor before me, Americans far greater than myself.

From the podium behind me have stood Presidents, and heads of state and national heroes, and they have struggled with this Nation's policies since this House was opened for business in the mid-1860's, right after the Civil War. I think of how they have plodded, and fallen, and stumbled and made mistakes, but I would also like to believe that, when one comes to this room, this House, that somehow, some way, not by oneself, but through the collective arguments of our colleagues, and their persuasion, and their perception and their capacity to share that with us, in the better days this House has had than this week or this year, that collectively somehow we manage to figure it out and we manage to do it right. It is almost as if, by putting everybody together, somehow we find it. I have no question that at that podium, on the day of December 8, 1941, every American knew clearly what was at stake, knew clearly what was required of us, knew clearly what needed to be done and did it, as they have on other occasions, as they responded to Roosevelt at the height of the Depression, as they listened to Wilson, as they listened to others and as they listened to each other.

But this crisis is more subtle. It is not right on our doorstep. It does not dominate our news. The choice facing the American public has not been adequately put forth. People are afraid to do, I think, what I have done today, to stand on the floor for my colleagues to read, or if they watch in their office, to hear, someone defend a Republican President's initiative and say, "It's not enough," and take the case to the American people.

But I think when that debate takes place here, if we realize the magnitude of the opportunity before us, and the dangers if we fail, reason will prevail. My colleagues on the Republican side and my colleagues on the Democrat side will hear me and hear those of us that stand forward, and we will pass through this portal of moment into history, having done, as this House has done so often before after such great struggle, the right thing and taken the right steps. Because ultimately what we have to do is my colleagues and I have to trust the American public, which I firmly believe, if given all of the facts, and given all of the reasons and all of the arguments for and against, they will trust us, they will make the right decision.

I should give attribution almost because that was the thoughts of Ambassador Strauss when he testified before the House Committee on Armed Services about the need for this package, about the need for the administration to act quickly and boldly. You take the case to the American people and make it, and I will not step back from that responsibility. I know people are going to say we need it here at home. I know

people are going to say they are Communists still; why should we help them? I know people in my own party are going to say, Why are you helping a Republican President?

Partially he needs all the help he can get, but, aside from that, partially because this time I think he is right. We should step forward and we should help, and I hope we will.

□ 1640

Finally, in closing, I would like to reflect just for a minute on a thought I started to share with you about this House and about how it fits into this crisis and the other crises that this country faces.

This is an absolutely remarkable institution. It pains my soul literally to hear Members of this body, distinguished Members, come to the floor and rail against Members of Congress, as if somehow they are not here, not drinking the water and eating the food, but they just blew into town new, and they and they alone have the infinite wisdom to know what the rest of us should do, and we are all knaves and fools, unintelligent and ineffectual.

This is a marvelous place. There are 435 individuals here. They come from every region of the country that has roughly 500,000 people. They come from Hispanic districts, they come from farm districts, they come from deep within Harlem. They come from the conservative hills of Mississippi, they come from the flat plains of Iowa and Nebraska, they come from skyscrapers in Boston and New York, and they come from Florida in the sun. They are men and they are women, and they are freely chosen to be here and to come here and exchange their ideas with 434 other Members, none of whom are alike, none of whom have exactly the same perception or the same problem, and fight it out and try to determine as well.

I would like to say in the House it is an ordinary street fight every day. It is a spontaneous body in which people can come forward and can argue and debate, and they can listen and they can agree. And this place is capable of being magnificent and generous at one moment, and bitter and vindictive the next.

It is a lot like the country. It is a lot like a country that frankly does not always agree, rarely does, divides itself on everything, sees competition as part of its culture almost, and does the right thing, does the wrong thing, elects the right people, and elects the wrong people.

But democracy is not a guarantee that you are always going to get it right. Democracy simply guarantees that you get to try again if you got it wrong the first time. And that is what this House reflects.

We will this week take on the difficult task of the reformation of the

House, the privileges and perks that this institution has had for too long, that just kind of got here.

A lot of people do not know the House bank was opened in 1837. If you read the history of the Ethics Committee report, the Committee on Standards, you will see that about every 10 years there was trouble.

When the Republicans ran the House it was in trouble. When the Democrats ran the House, it was in trouble. But it is ancient and it is archaic, and we have been slow to change it.

We have had other privileges of office that in modern times do not seem to fit the decorum of what a Member should be. Not only above impropriety, but above the appearance of impropriety. Not privileged class, but privileged to serve.

What prides me about the House, despite this difficult hour, despite the weighty decision we are going to have to make, is it was this House, freely chosen and freely elected, that responded. We may never get credit for that, but we should. We did not shun public outrage. We did not shun public concern. We moved aggressively to correct it, to take the steps we need to bring ourselves to modern times.

I daresay that this will not be the last time the House has to look closely at itself. But as long as it retains the ability to look at itself, as long as it is willing to bear the criticism, as long as it is willing to stand in public light, with open doors, it remains a unique body of value to the Nation, of strength for ourselves and weakness to our foes.

We have to have the capacity to have faith in this institution and reflect on it and its role and its purpose. So we will close this week I believe with reform. Then I hope next week, and the week after that, and the week after that, that this House will turn to function, to debate the magnitude of problems that face us, and to address them, hopefully with a cooperative administration, but even without, and decide the fate of this country.

I hope in the course of that debate to bring this full circle, that we make the right decision, that this House be the House that won the peace with our vanquished adversary. I hope that future generations will debate not how much to spend on defense, but how much to spend on peace. That is what I hope, and I have the confidence that this House has that capacity and that ability. Magnificent and generous one moment, insightful the next, and forgetful the third, but always functioning, an institution I do not apologize for serving in, and, frankly, an institution that I love.

REPORT BY CHAIRMAN OF SUBCOMMITTEE ON HUMAN RESOURCES OF COMMITTEE ON POST OFFICE AND CIVIL SERVICE

The SPEAKER pro tempore (Mr. JONES of Georgia). Under a previous order of the House, the gentleman from Pennsylvania [Mr. KANJORSKI] is recognized for 30 minutes.

Mr. KANJORSKI. Mr. Speaker, on a Wednesday afternoon such as this it is a pleasure to take the floor of the House, because I have an opportunity to address some issues that my subcommittee has been undertaking for the last several weeks in open hearings, but also has been addressing in a study position for more than a year. I am pleased to be chairman of the Subcommittee on Human Resources of the Committee on Post Office and Civil Service.

Mr. Speaker, as lost as that name sounds, we actually have jurisdiction over the expenditures of the Office of the President and the White House and the Office of Administration and other divisions of the Executive Offices of the Presidency and the White House.

In that regard, most recently we have started hearings, a week ago, at which time the White House did not attend those hearings. Lo and behold, even though we had been planning to establish this set of hearings for more than a year and had done the research in support of these hearings over the course of last year, by time, happenstance, and the fact that the occurrences here with the House bank and House post office and the confrontation with the White House occurred some 2 weeks ago, we found ourselves in what appeared to be an attempt to fashion light on a subject to discourage the attention of the people from this House.

Nothing could actually be further from the truth. As a matter of fact, perhaps the attention that was drawn to the management problems here in the House are actually going to be most helpful as we examine the other branches of Government.

What I wanted to do today was have the opportunity to alert my colleagues as to what we intend to do, what we are doing, and what the end result of what we want to accomplish as a result of these hearings is.

I think those people that are watching on C-SPAN or on television will appreciate what we want to do, too, because I think it is the conclusion of something I have had as a dream coming to this House, that in fact some of the back bench Members such as I can eventually have an effect on not only how this House operates, but in how the entire Federal Government operates.

With the jurisdiction of my subcommittee over the White House, what I tried to analyze is when we reauthorize the expenditures for personnel,

travel, entertainment, and all other expenses in the White House, what do we actually end up doing?

Much to my chagrin, I discovered that one of the items in the White House budget, that comes to the Congress every year and gets routinely approved and then ends up going to the appropriations committees and getting approved and appropriated, is travel.

We found that the line item for the Presidential travel in the United States is \$100,000 a year. That item in itself is probably ludicrous on its face since we know the cost of traveling.

But worse than that, we find out that only \$29,000 of that money is actually expended, so that a naive eye would tend to think that that is the total cost item involved in that particular appropriation and reauthorization item in the White House budget.

□ 1650

We all know in fact, however, from the study that we have made from other sections of the budget as to what amounts go for travel of the President and the staff and personnel of the White House that this item actually will go somewhere between a minimum of \$74 million to possibly \$130 million.

I am not shocked by these figures because since I have come to Washington, I have learned that a million here or a million there tends to be change in most people's eyes inside the Beltway, rather shocking to people outside the Beltway. So in two instances, it causes a problem.

Very often those of us who are in charge of Government do not pay an awful lot of attention to it, as we should, in oversight. And it is offensive, annoying, and causes great belligerence when read about in the newspapers or seen on television by the average American people, all to the gross dismay of the respect for government generally, specifically for this House and its failure to oversight areas of Government and perhaps some embarrassment for the executive branch, too, since whenever true numbers come out like that and they are not explained and they come out in a raw form, they tend to be embarrassing.

It has not been the intention of my committee or myself to in any way embarrass this House, the Government and, most particularly, the President. What we are really attempting to do is start with a process that if we do follow it through to conclusion, affords us the opportunity for the first time in 50 years to start analyzing the real cost of Government, where savings can be made, how accounting should be made, and then how we can have full disclosure, which I happen to believe is ultimately the way the Government's money should best be spent.

When we hold it up to the sunlight of public scrutiny, we can bet our lives on the fact that we would not spend that

dollar if we knew full well our constituents would know about it, unless we could stand and justify the expenditure of that money and give the logical reason for why it is spent.

I think if we apply that principle of honest, adequate, complete and full accounting, not only to the White House but to the Congress of the United States, to the judicial branch of the United States, it is at the time when we satisfy the American people that we honestly tell them what these three branches of Government spend that we can attack the deficit problem, which is the most disturbing problem for the American people.

But as long as we allow either by reality or by appearance an idea that Government deals with smoke and mirrors and does not respond with telling the truth about expenditures, we will not only not have the respect of the American people and the support of the American people but, in fact, we will have their disdain.

It is an attempt to have adequate, complete, correct, real disclosure, real accountability that the investigation that I am undertaking in the furtherance of passing the White House Authorization Act of 1992.

What we are basically starting out is saying to the White House, we care about what is spent, but we really do not care about knowing particular numbers or particular individuals. What we want to end up with at the conclusion of these hearings is that anyone next year that receives the audit of the White House can truly say, "This is what it costs to operate the Office of the President and the White House."

And if we can end up with that figure in the White House, we should be able to do the same for the Congress. At the end of the year, we should be able to stand up and say, this is what was budgeted. This is what was expended, and this had the capacity of having real auditing; that is, an auditor could come in like they do in private business, examine the accounts, prove the accounts either by random sample or by total sample, to say that in reality this is the entire amount it costs to handle the congressional branch of Government. And we should be able to do the same for the judiciary branch of Government.

One of the reasons this caught my attention is that ever since I have been in Congress 7 years, periodically every 6 months we get these stories of travel expenses. We get these stories of unusual expenditures that are embarrassing to each and every one of us, and we tend to say, "That is not our function as an individual Representative. Why do we have to meet the wrath of our constituents at home or the disrespect from the constituency of the entire United States toward Government when, if they only knew that we didn't

know or that we weren't responsible for this, they wouldn't hold us responsible?"

Well, I think they have made it clear to me these last several weeks that I do not think we can give an argument like that. A lot of American people do not understand the existing Government process, and I have to confess, I am not so totally acceptable of the fact that the process we use today is the process that should be used. I am not at all sure that we are not driving around in automobiles and still using the horse and buggy directions and control signals on the highway of Government.

I think what we have to do is honestly, objectively stand back, look at our own Congress, look at the judiciary branch, and look at the White House, and look at the executive branch with a detached effort to say, is this understandable to people? Do they believe it? Should they believe it? Can we prove it and are we telling the truth, the absolute truth to them?

It is only when we can come to that standard that I think we can turn the lack of respect for Government generally, whether it is in our frugality, effectiveness, or efficiency or whether it is just in the fact that the figures we disclose are in fact correct figures.

When I looked at the Office of the President, clearly I realized that we potentially spend somewhere between \$75 and \$130 million for travel. We should not have an account that says we spend \$100,000 for travel and we only spend 29 percent of that. That is a gross, misleading situation that we have allowed to occur here by legislation that we pass here in the Congress.

This is not what the White House asked for. This is not what the President asked for. This is the result of the Reauthorization Act of 1978, when we authorized the White House.

We allowed an account to be put in there that obviously was not correct. I do not think it was correct at that time, but I know it is not correct at this time because it is something like \$129 million, 900,000 more than is reflected in the budget. So we set about saying this: That if we can collect within the Office of the White House, the Executive Office of the President, all the costs of personnel, of entertainment, of travel, have them truly reflected out of the accounts of the White House, it is at that point that we will honestly be able to say to the American people what the Office of the President, the maintenance of the White House costs the American taxpayers.

To this day, I am embarrassed to say, I could not give my colleagues a figure within \$100 or \$200 million because it is not reflected anywhere in a consolidated statement of the budget or the audits of the United States that are performed.

What we find in fact is in travel there are at least 4 or 5 agencies of the Federal Government that actually pay for the cost of travel. It is the Air Force Wing 89 and at the Defense Department that is, the finance is something like \$120 million, a portion of which is spent for White House travel. And I believe that portion is about 50 percent. I believe 10 percent of that portion is spent on travel of the Congress, and I believe that another 40 percent is for other Federal agencies.

I think we should clearly allow the Air Force to operate Wing 89. We should not be involved with the efficiency that the Defense Department can handle that wing with, but there is not any reason that whether it is the President of the United States, whether it is his chief of staff, whether it is a lonely staff person that is required to take one of those 24 aircraft and fly somewhere, that the actual cost of that is not related to the White House so that they have to keep it on their account that that is what the expense of that flight was.

The truth should be the same thing when the Congress uses that plane. The cost of that element should be apportioned to the Congress. It should be in an open account that, in fact, that portion of expenditures was made for congressional travel. And if it is used by the judiciary branch, it should be allocated there, or for any of the other executive departments of the Federal Government.

Then we are going to have that account handled by the Defense Department, the wing handled by the Defense Department, but the actual accounting process will be in the individual areas of Government, individual branches of Government, individual departments or agencies of Government, because of where those expenditures are made.

I came from private life. I do not really refer to myself as a professional politician, but I guess I would have to admit, after 7 years in Congress, one would have to say one is probably a professional politician.

I came from a legal background. I did not proceed into office through the legislature, through a town council, through the State Senate or other process. I came immediately out of private practice of the law to the Congress of the United States.

□ 1700

In my 20 years of practice of law I represented a lot of corporations that do exactly what I am recommending that we do. They have what we call cost accounting. They actually take the dollars spent and attribute them to the individual areas where they are expended, so that at the end of the year the managers, the executives of the corporation, have the opportunity to review the expenditure, allocate it to what was accomplished or what was

the objective, and test whether the expenditure was reasonable in light of what the objective or the goal was; in other words, the simple question: Was this trip necessary; was the method of the trip necessary; did it accomplish its end; and does it have a sufficient priority in expenditure that we are going to reserve and appropriate that kind of money for that kind of travel, if we have to cut something else.

Ultimately if we are going to get the deficit under control in the United States, I sometimes find myself faced with terrible dilemmas. We have Members of Congress that will introduce resolutions to cut a particular appropriation 10 percent, 5 percent, 2 percent across the board. Many of us who feel we want to be fiscally responsible find it abhorrent that we would be called upon to vote on a blanket cut. People out there may say, "Why?" They do not understand the appropriation process in Government.

When you appropriate, for instance, for HHS, you may be appropriating for everything from the study of cherries or the packaging of cherries to cancer research. When you make a 10-percent across-the-board cut, you may be cutting out the \$5,000 study of how to package cherries, and that is a savings of \$500, but you are also going to be cutting out the 10 percent of the \$300 or \$400 or \$500 million for cancer research, which is \$50 million, and the equations of value and priority there are not having anything to do with reality, with real priorities.

So that our present process does not afford us the opportunity here in the Congress when we vote to appropriate money to do that in a rational, reasonable, prioritized way. It ends up that either we cut 10 percent out of everything, the good, the bad, the wasteful, the absolutely necessary, or we end up not cutting anything at all because we don't want to injure cancer research or some important element that we all feel very strongly about.

The only way we are going to force ourselves into a disciplined method of setting priorities, I think, is to establish a responsible system in Government, something analogous to what we have been using in American industry for 100 years, and that is cost accounting, the ability to consolidate costs on balance sheets and profit and loss statements, to know whether or not the expenditure, the goal of the expenditure, is attained, whether it was reasonable or rational.

Let me give you another example. Just recently, this afternoon, I spent time with the General Accounting Office going over travel expenditures. I imagined and suggested to them, "What would you do as a manager if you were asked to determine what allocations of expenditures your staff and personnel should make if you don't have an actual breakdown of that cost?"

At last week's hearings one of the Members brought to the attention of the committee an example. The example was that a person who was personnel in a medium position in the White House had a luncheon engagement across the street from the White House, and they commissioned the White House limousine and driver to take them to the luncheon and to wait for them to be transported a block away, back to the White House.

I don't know what the cost of the limousine is because the White House doesn't have any limousines it pays for. That comes out of the General Services Administration. You would have to spend probably a month to find out where in that budget that is allocated. We don't know what the cost of the chauffeur is because the chauffeur probably comes from either Transportation or the Treasury budget, not from the White House budget.

So there is absolutely no way to relate the actual, real costs of that driver and limousine, and the gasoline. God only knows where that comes from. So we have no way to know what that actual cost is. So that person uses that vehicle for 3 hours.

Now, we can go to commercial rates. We know in Washington, DC, that a limousine and driver is a minimum of \$75 an hour, and you are required to take it at least a half a day, four hours, so we are talking that if you wanted to have a limousine and driver in Washington as a private individual citizen, you are talking about a minimum of a \$300 expenditure.

If we applied the actual cost of the limousine, the chauffeur, the cost of his benefits and salary and the costs of gasoline and all of the attendant responsibilities of that limousine, it may end up costing the Federal Government more than \$300 or less than \$300. We don't really know. But nowhere on an accounting item as it is presented now would that item show up for the manager of the White House who is responsible for administration, so that they would have no way of saying to Mary X or Joe X, "Did you know you spent \$300 to go one block for lunch, and that is not a reasonable expenditure?"

They are not aware of that fact, so there is no reason for them to lay down a rule or a policy that can't be permitted.

Second, by not having that knowledge they don't know what they would cut off as a matter of policy if they wanted to save money, because they are not even aware of the expenditure. So what we are trying to do in a very simplistic way is to just take the White House, because that happens to be the jurisdiction of my subcommittee, and say to them that, "At the end of these hearings what we really would like to have is the capacity to pass an authorization bill providing to the President and his staff all the money

necessary to perform the functions of the Presidency and the White House, with all the security and all the protections necessary, but to know what that real cost item is."

Then we know that cost item in the future, if there is a determination that those of us in Government have to cut back, and I truly believe we do, rather than cutting the physician away from the White House or rather than inhibiting the activities of the President that are necessary, we could ask Mary X or John X to take a cab for three blocks, not \$300 in the cost of the limousine.

I think that is effective cost accounting. That is what my clients, when I was in private practice, did every day of their lives. Any business that gets in trouble and starts running behind in revenue as compared to expenditure, they basically sit down and say, "Where is the fat? What can we cut?"

You can't cut the fat if you don't know where the fat is, because you don't have the picture of all your expenditures. So all we are attempting to do is ask the cooperation of the White House to provide us with that accounting system and the internal control system that will give us that display.

The second thing we are doing is, because there is not a manager in Government, those of us who are elected for terms of office, in the House of Representatives 2 years, in the U.S. Senate 6 years, and the Presidency 4 years, we only have one boss. The boss is the people that vote for us to put us here. Who else should have the benefit of this information but the people that employ us?

We need in all the other branches of Government, and that we do have here in the House of Representatives, the capacity for total disclosure. If a member of my district wanted to know what the expenditure of any Member in the Congress of the United States was in the last 3 months or at any time prior to that, they could ask me and I could go to the Clerk's office and get a detailed volume that lists every item of expenditures that is charged against a Member's office.

I can tell you this from my personal experience, that that has a great management tool capacity to it, because when I first took office I had a member of my staff who inadvertently, inadvertently, who is paid a per diem when they are in my district to perform functions if they live in Washington, DC, they happened to charge breakfast one morning. It amounted to coffee and a donut. It was 80 cents. It showed up on that chart. It also showed up in the local newspaper, I must say. And you can bet your life no member of my staff ever went out and had a coffee and donut for breakfast in the morning and charged it to the U.S. Government. I said, "That is just not acceptable. I am not going to have it."

I think the President and I think the managers of the White House and a lot

of the managers of the Federal Government are very professional people. If they are elected they are still professional because they come from that element of our society. They do not purposely waste taxpayers' money, but they do participate in a system that allows taxpayers' money to be wasted.

However, if we can find an accounting system that will truly, at the end of the year or 2-year cycle, however we change our systems of appropriation and accounting, truly reflect in the accounts what is actually expended, then we can have auditing processes by the General Accounting Office or a chief financial officer of the Government, whatever we put in place to increase the management capacity of this Government, come by and make an honest audit and then, at the time of the close of that audit, we can have a mechanism for total, complete, accurate, real disclosure.

I think if we take that principle and implement it in the White House as early as possible, and we can do that through the Reauthorization Act my committee is working on, we hope to be able to have that for the Congress' action and for the House's action sometime in June or July, and if we can ask the committees that have jurisdiction over the Congress to do the same accounting and the same ability to set up a cost accounting system so that we can have auditing and then full, accurate, and complete disclosure, which we now have, but even make it simpler for people to know what those costs are, and if we can move to the judiciary, I think we can accomplish several things.

□ 1710

First, we can develop micro-management tools for at least the three heads of the three branches of Government, here in the Congress, the judiciary and the White House, and we can set an example governmentwide to say we are going to provide this type of open accounting, we are going to provide this type of disclosure, and we are going to put the test of decision making of how money is spent as what would you like to see in your local newspaper or in the national headlines as the actual expenditures.

Over this weekend, as a result of perhaps our hearings last week, and some of the General Accounting Office disclosures, and I think the Office of Government Ethics recently did a disclosure on travel, the statement was made by the Secretary of State that he was astounded that he had actually spent \$388,000 of taxpayers' money on private transportation for 11 vacation trips or private trips. Many people will say, "That's impossible. How could he be astounded?" I can understand how he could be astounded. I can understand that the Secretary of State has never been provided with that figure, and the

fact of the matter is if he were to ask for that figure it would literally take maybe a year or 18 months to have the General Accounting Office go down and dig it out, and probably it took that time to get this figure. And above that, the Secretary of State is not keeping an account record on a regular basis of what he spends. I think he is carrying out the foreign policy of the United States, the thing he is appointed to do, and he has been doing it pretty well. It is unfortunate that we caused him embarrassment. We did not intend to do that, and I do not think he should be embarrassed. Who should be embarrassed are those of us who are in the Congress, those of us in elected office, such as the President and Vice President, that we have not seen fit to set up an accounting system, an auditing system and a disclosure system so that this would be made available. And I would go one step further. I think every high official of this Government at the end of the year should get a tab of what it cost you to perform your functions.

We get that in the House of Representatives. We get a budget. The budget is broken down into everything from travel to stamps and to office furnishings, telephones and all of the items at the end of every year. Every one of us knows at the end of the year and we sit down with our administrative staffs and go through those items. And why do we go through those items? One, we know they have been disclosed, and if somebody is taking an abuse, we are going to stop it in the bud. Second, we know we have a limited budget, and if we go over that budget it has to be paid personally by the Member. It is not something that can be taken out of an appropriated account. And three, if you cannot control the expenditures in your office that way, then you are going to have a tough time getting the job done that we have to do as representatives. It takes time, but it is a very responsible thing, and every one of us at the end of the year knows full well that we can sit down and identify everything we have spent for travel in that year.

I think that is a good system. I think we should make that system available to the rest of the Government. I think we should be able to say to all of the secretaries and to all of the departments of the executive branch, to the under secretaries, to the assistant secretaries, to the deputy secretaries, here is your cost item on travel.

Why was the Secretary of State shocked? I can tell you why. You can travel from here to California on a first class ticket for \$2,200. You can travel on a tourist ticket for about \$500 round trip. But if you take the Presidential plane to California, back and forth, you are talking about an expenditure of around \$600,000. Now, if you knew that difference, that by driving to the air-

port and getting on a commercial airline you could save the U.S. Government \$498,000, I think there would be a great incentive for one, you to do it as a responsible person, but two, you would sure do it if you knew the press and the American people were going to know about it if you did not do it.

So I think that disclosure here is the only behavior pattern that I can see, the only incentive that clearly can draw public elected officials and appointed officials to use good, common-sense judgment in the expenditure of public funds. I think if we can do that in the White House, I think if we can do that in the Congress, and I think if we can do that in the judicial branch of Government we will have established a mechanism here where when we finally have to go and attack the deficit of the United States we will have a benchmark of cost accounting that we want to be and to have applied across Government. And when we accomplish that, we can finally get to the \$400 billion deficit that we are all facing.

If I had to say what the hue and cry of the American people is, it is not really the actual House bank problem. It is the fact that that could happen, and why was the management so poor, and why was that allowed to happen, and they demanded a disclosure and they now have disclosure. But if we just end it because we disclosed it, and we move not on from that position and start saying let us get our house in order here in the Congress, in the White House, in the full executive branch of the Government, in the Supreme Court and in the judicial branch, then we will have missed really the lesson of these last several weeks that the American people are putting upon us.

Mr. Speaker, I just ask my colleagues on both sides of the aisle, neither my Democrats should cheer by what my committee is doing because it is not intended, nor will it cause anyone embarrassment, political or otherwise in the White House, and I am not going to allow it to happen. And I want to say to my colleagues on the Republican side of the aisle that this is not something that happened overnight because I saw a negative reaction to the House bank and the post office. This is something I have been doing for a year. It is something I fundamentally believe in, and quite frankly I can tell my colleagues from the minority members on my committee that they have the same feelings of responsibility toward Government as I have. They want to find a system whereby we can effectively control the costs, not curtail activities, official activities of the President, but control costs, have them adequately really accounted for, and then provide for an honest, complete and adequate disclosure. If we can accomplish that, we can move this government on a whole new track, in a whole new direction. And as a backbencher from Penn-

sylvania who does not like to consider himself a professional politician, but I guess I have to concede I am now after 7 years, if I could only accomplish the start of that I will have thought my congressional career more than successful.

GENERAL LEAVE

Mr. JONTZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. JONES of Georgia). Is there objection to the request of the gentleman from Indiana?

There was no objection.

OUR NATION'S FORESTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. JONTZ] is recognized for 60 minutes.

Mr. JONTZ. Mr. Speaker, I rise this evening to address a subject which has received a great deal of attention by the people of this country recently, and is also the subject of attention by several of the committees of this House, and that is the issue of our Nation's forests, and what we are doing to see that they are preserved and protected for the benefit of future generations.

I think one of the most important responsibilities that we have as Members of Congress is to be good stewards of our Nation's resources. I believe that when we are judged, one of the questions that should be asked, and will be asked, is what have we done to see the natural resources of this country are passed on to the next generation in as good a shape as we found them. And as we look at some of the resources of our country, we have reason to question how good we have been as stewards. And in particular this evening, I would like to look at the status of the forests of our Nation and what needs to be done by those of us in Congress, what needs to be done across our country to see that these magnificent forests are passed on to our children, and to their children, and to all future generations for their enjoyment and the benefit of all of the people of this country for all time.

I think that the great forests of our country are our national treasures. They are just as much a part of our Nation's heritage as is the Grand Canyon, or Yosemite, or Independence Hall. They are something which we can be proud of as Americans.

Yet, we see these forests diminished in some ways. We have but 2 percent left of the original native forests which were at one time covering vast expanses of our Nation. Almost all of the entire Eastern part of our United States and many parts of the West

were covered by these great forests, but as changes occurred in our Nation many of those forests have disappeared, and now we have just 2 percent left.

I think a critical question that has to be addressed is what is the proper balance.

□ 1720

We are going to continue to have a wood products industry in this country. We are going to continue to produce commodities from our forests. But I think when we have come to the place where only the last 2 percent of our native forests remain, we have to ask the question: Have things gotten out of balance?

That is, indeed, the question that is being asked by many in the Congress today.

I am pleased to be joined this evening in this special order by a distinguished colleague, the gentleman from New York [Mr. SCHEUER] and the gentleman from New York has concerns about our environment that are truly global. He has been a tireless advocate for our forests, and I appreciate him joining me this evening in this special order.

I yield to the gentleman from New York [Mr. SCHEUER] for his contribution to our special order this evening.

Mr. SCHEUER. It is a great pleasure to appear with the gentleman from Indiana [Mr. JONTZ] and I wish to congratulate him on the extraordinary leadership he has shown over the years, not only in terms of preserving America's glorious forest resources, but also his concern that we engage in a meaningful global reforestation program to replace the trees and the savannas and the shrubs and the grasses that were typical, for example, of the entire Middle Eastern region as much as 2,000 years ago, instead of the utterly parched desert that we see there now created through misuse, created through galloping population explosion, too many people and too many animals trying to live on too fragile an infrastructure with the result that the land in effect collapses. It just collapses, and a good, solid agricultural land where there was grazing, where there was growth of all kinds of food products, reverts then to desert, the process that we call desertification, surely one of the saddest and most heartbreaking examples of human misuse of our resources and human misuse of this fragile planet Earth.

Mr. Speaker, this legislative body must very soon begin to address the problems that surround the long-term stability of our Nation's forests, or we will face the most awesome consequences.

I plan to be a participant in the congressional group that is going down to Rio in the middle of June to work with other parliamentarians from other nations to see if we cannot create some

kind of global sense, some global rationale, some global wisdom to replace our depleted and, in some sad cases, vanished forests all over the world, not just in our own country.

Mr. Speaker, of course, as you know, the United States was once covered by many kinds of natural forests. Little now remains of these great forests outside of the Pacific Northwest region.

It is estimated that these forests once covered 15 million to 20 million acres in the Northwest alone. Only about 2 to 2½ million acres now remain, and virtually all of these acres lie within the national forests and the Bureau of Land Management lands in the State of Washington, the State of Oregon, and northern California. These ancient forests, also known as old-growth forests, contain the largest coniferous trees in the world, a part of America's most noble natural resources that the gentleman from Indiana [Mr. JONTZ] and I look forward with pleasure and pride to handing down to our children and our grandchildren if there are any left.

These largest old-growth forests contain the largest coniferous trees in the world, and they are part of America's last remaining temperate rain forests. Ancient forests contain a vast diversity of plant and animal life.

This lush ecosystem, Mr. Speaker, is home to more than 200 species of animals including the threatened spotted owl, and more than 1,000 different types of plants. Most of its Douglas fir, cedar, hemlock trees range in age from 250 to 1,000 years old. Imagine, long before, 400, 500 years before Columbus and his men ever set foot, ever set foot on the Americas, when they sailed in on the *Nina*, *Pinta*, and the *Santa Maria*, 500 years before that, these old-growth trees were saplings, and they still grace us today.

It is home to the Pacific yew, this Northwest region, a shrub whose bark contains the chemical compound taxol, which has shown such great promise in treating various kinds of cancer. We have all seen the stories on today's television on the use of taxol to treat breast cancer and ovarian cancer.

Our ancient forests now are threatened by our unsustainable logging practices. That means, in very simple terms, that we are taking out more than we are putting in, and any sustainable use of resources must mean achieving an equilibrium between what we put in, what we invest in, and what we take out every year. That is called sustainable development, and it is sadly lacking in so many areas of our national life.

The U.S. Forest Service clearcuts, and that means absolutely wipes out every vestige of a tree or a shrub, clearcuts about 60,000 acres of old-growth forest annually in the Pacific Northwest. The size, quality, and value of ancient-forest timber has made it

the mainstay of the Pacific Northwest's timber industry.

Now at issue in this debate is not merely the continued existence of the spotted owl but that of the entire forest ecosystem. The owl versus the logging, this dichotomy is too simplistic to convey the reality of the problem. The spotted owl is just an indicator, just a signal, just a token, just a warning amber light as to the failing health and threatened stability of the ancient forest ecosystem.

Today's spotted owl controversy will evolve into controversy involving another bird next year, the marbled murrelet, which some scientists say makes the spotted owl look prolific in its population numbers.

We must move our environment policy away from Band-Aid species by species approach to environment problems. This has failed. We must become proactive and holistic in our policies and move toward adopting an integrated-ecosystem approach to land use and conservation. In other words, we cannot rely any further on the endangered-species approach, because by the time we detect a bird or an animal that is endangered and we go through a 3- or 4- or 5-year process of establishing that, boom, it is gone; it is history. We have lost the chance to protect it.

I would like to express my support for H.R. 842, the Ancient Forest Protection Act, introduced by my colleague, the gentleman from Indiana [Mr. JONTZ], which eschews the endangered-species approach which has failed us so badly, and it embraces an endangered-ecosystem approach. In other words, if we forget about saving the spotted owl, which becomes very difficult with a 3-4-5-year bureaucratic time frame before it is actually declared endangered, if we eschew that in favor of preserving an endangered ecosystem, a larger piece of land with hundreds and hundreds of varieties of flora and fauna, then we have got something, because then we have enough of an area where we can preserve intact very large numbers of animals. We can preserve intact the trees, the flora, the fauna on a sound, sustainable basis.

This bill that has been introduced by the gentleman from Indiana [Mr. JONTZ], my honored friend who has played such an enormously important leadership role in the whole question of natural resources and conservation, addresses the sustainability of our ancient-forest ecosystem and moves environmental policy forward.

Mr. Speaker, the Government should be managing our forests for many purposes, including the preservation of biological diversity. Indeed, the fact is that the long-term sustainability of our biological resources is critical to our survival.

□ 1730

There simply is not enough ancient forest acreage left to sustain the tim-

ber industry at current cutting levels. At current cutting rates, the ancient forest ecosystem will be destroyed almost by the time we hit the third millennium. Is that not an irony? By the time we hit the year 2000 and are into our third century, we will be within 5, 6 or 7 years of destroying these glorious ancient forests and the ecosystem in which they are found.

Further, in as little as 4 years, key national forests will be devoid of their old growth. The rapid pace and extent of the destruction of these forests will cause untold ecological damage in the long run.

Eliminating one part of the ancient forest ecosystem will have adverse affects on the whole system—for the whole is indeed greater than the sum of its parts. The stability and resilience of our ecosystems are dependent upon the species connections contained within them.

How many undiscovered taxols remain in our ancient forests? The yew had long been regarded as inconsequential, so that little was known about how many even existed in the forests. It was burned as a weed after logging an area. Yet, to the 10,000 women who die annually from ovarian cancer, the yew is a highly significant species, a life saving species, in our ancient forests.

To me, it is ironic that at the same time the United States is working internationally to negotiate a set of forestry principles for the world's nations to adopt this June at the U.N. Conference in Brazil on Environment and Development [UNCED], our own country fails to adopt these same principles in its domestic forestry policies. The tenet of these principles is what we have discussed before, the sustainable management of the world's forests.

It is ridiculous and pious and utterly disingenuous of our country to ask Brazil to manage its tropical rain forests for sustainable development when we do not ask the same of ourselves in managing our temperate rain forests.

Now, we do the same thing ourselves in managing our tropical forests which can be found in the State of Hawaii. Hawaii is a fraction of 1 percent of the land area of the United States, yet between two-thirds and three-quarters of all our threatened species, including tropical rain forests, reside within the State of Hawaii. We ought to give that beleaguered State far more resources and far more scientific backup and a far greater opportunity than we give the State of Hawaii now to save her previous natural resources.

Mr. Speaker, I would like to close this brief comment by quoting the 13 U.S. Forest Service supervisors from Forest Service region 1 in a letter they wrote to Forest Service Chief F. Dale Robertson:

We are seeing a drastic increase in the number of challenges to our land and re-

source management activities, challenges which are not easily overcome by throwing more money at them or working harder to educate our public or increasing the amount of documentation.

Many people believe in this country, as around the world, that the current emphasis on National Forest Service programs does not reflect the land stewardship values which are embodied in our forest plans.

Congressional emphasis and our traditional methods and practices continue to focus on commodity resources. We are not meeting the quality land management expectations of our public and our employees. We are not being viewed as the conservation leaders Gifford Pinchot (father of forestry in the U.S.) would have us become, despite strong support of the rhetoric in our mission statement. We are worried that if we do not make some major changes as an agency, our mission statement will never move from rhetoric of reality.

Mr. Speaker, if I am able to acquire some time later, I would like to talk about some forest rehabilitation and renovation plans that are ready to go in the Middle East, plans that I have helped develop. I have talked to the Japanese lending agencies about financing them. I have talked to Egypt about being the first country that would cite half a dozen different reforestation areas in Egypt as role models for the entire Middle East, and when I have some time I will get into that.

Mr. JONTZ. Mr. Speaker, I want to thank the gentleman from New York for participating in our special order. I think that the Congress is very fortunate that the gentleman from New York [Mr. SCHEUER] will be representing us in Brazil at this international conference. I hope that when he travels to Brazil he will be able to tell the parliamentarians around the world that we are taking action in our own Congress to protect our resources, and only when we recognize and we take appropriate action to protect our forests can we really ask other countries, which are much less prepared from a standpoint of their understanding perhaps of the science of forestry, and also from the standpoint of the resources they have available to them, and it is very awkward for us to be asking other countries to do what we are not willing to do ourselves, so I appreciate the comments of the gentleman from New York.

Mr. Speaker, I am pleased also to be joined this evening in this special order by a colleague, the gentleman from South Carolina [Mr. RAVENEL]. The gentleman from South Carolina [Mr. RAVENEL] is a member of the Committee on Merchant Marine and Fisheries, which has important jurisdiction over many issues relating to our natural resources, such as the Endangered Species Act.

The gentleman from South Carolina [Mr. RAVENEL] is a cosponsor of H.R. 842, the Ancient Forest Protection Act, as are 137 other Members of our House.

I would like to thank the gentleman from South Carolina for his steadfast support for our legislation and for his articulate voice on behalf of protecting our forests.

Mr. Speaker, I yield to the gentleman from South Carolina to add his contribution to our special order this evening on the subject of our Nation's forests.

Mr. RAVENEL. Mr. Speaker, I thank the gentleman from Indiana [Mr. JONTZ] and my good neighbor, the gentleman from Georgia.

I stand here today as an original cosponsor of Congressman JONTZ's Ancient Forest Protection Act. This bill offers us a chance to preserve one of the last remnants of our magnificent natural heritage, our precious ancient forests in the Pacific Northwest.

As the gentleman from Indiana [Mr. JONTZ] knows, I went out there about a year ago and toured the Olympic Peninsula. Of course, we flew around the Olympic National Park, which of course is protected. We looked at some State forests and then we saw the devastation that is going on out there in the national forests adjacent to the park. It really just tore me up to see what was going on out there.

As the gentleman knows, because I know he has been out there, there is timber in those slopes, very severe slopes. They go in there and they cut all those magnificent trees down and then whatever is left they just burn and the rains come, the heavy rains and the red clay and the dirt is washed down into the little streams and just chokes them up. It looks like the area around Mount Helen's actually right after the devastation there of that eruption of the volcano.

In Charleston the other night, there was a group there and there were some people representing the timber industry. We were discussing the situation, and I remarked that I had been out there and seen the devastation going on in the Olympic National Forest and how upset I was about it.

You know, that many told me that what I saw with my own eyes, I had not seen. He said, "That situation does not exist, does not exist."

So I said, "Well, I know the Sun is going to reverse itself in its orbit now and water is going to start to run uphill."

Some of these ancient forests have trees that were full grown when Columbus first set his foot on American soil. Of course, the anniversary of that is right this year.

These forest ecosystems remind me of natural cathedrals. We have a few of them there in South Carolina. We do not have a great many, but we probably have 25,000 or 30,000 acres.

There is one tract there that was preserved by a Chicago industrialist by the name of Beidler. The Audubon Society was able to buy it from his family.

□ 1740

It is the Beidler Forest not far from Charleston, SC. They have bald cypress trees there. They have trees in there nothing of the height of the Pacific Northwest but these magnificent bald cypress trees, some of them reputed to be as old as 2,000 years old, if you can imagine that; Audubon has built a boardwalk out into this swamp. It is the Four Hole Swamp in the Beidler Forest.

Mr. Speaker, I have a Down's syndrome son who is pretty severely retarded. He is educable, with an IQ of only 17. Of course, his social IQ is about 140.

Well, Mr. Speaker, I took him down into that swamp one day on the boardwalk, real cold New Year's Day, probably about 35 degrees, not a breath of air moving, bright sunshine. We got down to the end of that boardwalk and we looked around, and there we were in this magnificent ancient forest of bald cypress trees.

I said, "William, where are you?" And he says, "Church." Man, that just had a telling effect on me.

When I was out in the Olympic Peninsula, I thought of that day that William and I had down there in our own little piece of the ancient forest that we have not far from Charleston.

As I said, these forest ecosystems remind me of natural cathedrals. Now, when I wrote that, I thought of the day that we spent down there with these trees that tower hundreds of feet over your head while sunlight peeks through the canopy and a quiet serenity envelops all who enter.

For those of you who have not been, you need to go to our Northwest ancient forests and see for yourself. Unlike any other experience you will ever have.

This is exactly how I felt when I first saw these magnificent forests. The trees we have in the South are very young trees by comparison with those in the Pacific Northwest. How someone could even think or imagine going in there with a chainsaw and cutting down a tree that is almost a thousand years old, 300 feet tall, and one that we measured, 42 feet in circumference, is just beyond my comprehension. They are almost 4½ times older than our country. Mr. Speaker, the Jontz bill recognizes that you cannot protect only a part of these ecosystems, you have to protect them in their entirety, trees, plants, streams, animals, all of which contribute to the ecosystem as a whole.

What we have are other interests who are seeking only to look at individual parts of this ancient forest ecosystem. The timber industry and many of the Federal agencies, and I hate to say it but it is true, many of the Federal agencies involved have tried to characterize this issue in just that light. In their view, protecting the northern

spotted owl which inhabits some of these ancient forests deprives them of timber. It is an industry with them, it is just business. I would remind those concerned that the Forest Service itself, the Forest Service itself, chose the northern spotted owl as a indicator species for the ancient forest ecosystem. Years ago, as you know, miners would take canaries into the mines with them when they went down, to protect themselves from poisonous gas. When the canary died, this was an indication of danger, and the miners would scramble to get out as fast as they could.

Now the spotted owl has become the canary for ancient forests and is listed as a threatened species. Therefore, that indicates that the ancient forest ecosystem, itself, is in trouble.

As a low-country South Carolinian and a member of the subcommittee with jurisdiction over the Endangered Species Act, we have been down that road before with threatened and endangered sea turtles.

You all have heard me on this floor in this particular area before with threatened and endangered sea turtles and turtle-excluder device regulations. After legal action by the environmental community, which was totally unnecessary—the administration just would not, would not comply with the law until they were threatened with court orders—then the Commerce Department and the Coast Guard got serious about enforcing TED regulations in 1990. And what happened? Well, shrimpers began to comply by pulling the TED's. I can tell you with a great deal of pride that last year on our beaches in South Carolina and, Mr. Speaker, your beaches down in Georgia, with virtual compliance by the shrimping community, the number of turtle strandings were at a record low.

Detractors of the Endangered Species Act often accuse it of being inflexible, yet the experience with TED regulations in South Carolina demonstrates the act's flexibility.

Back on September 26, 1988, I stood in this Chamber and spoke for the act's reauthorization. There is one statement I made that I find of particular relevance today:

Aldo Leopold, the father of modern conservation, observed that the first rule of intelligent tinkering is to save all the parts. Even when you don't understand what a particular part does, you throw it away at your peril. The Endangered Species Act commits us to saving all the parts and, by doing so, saves us from the foolish mistake of casually eliminating a species because we don't yet know how it works or what good it does.

Mr. Speaker, and I say to the gentleman from Indiana [Mr. JONTZ] it seems to me we are engaged in some unintelligent tinkering in the Northwest today and that our actions will have far-reaching consequences if we do not do something about it, consequences that we do not even begin to

see yet. If we begin to throw away parts of our ancient forest ecosystem, we do so at our peril.

Mr. Speaker, as a member of the party of Roosevelt, Teddy Roosevelt, I urge my colleagues on both sides of the aisle to support the gentleman from Indiana, Mr. JONTZ's, Ancient Forest Protection Act and become a cosponsor today.

Mr. Speaker, I thank the gentleman from Indiana [Mr. JONTZ].

Mr. JONTZ. Mr. Speaker, I want to thank the gentleman from South Carolina for his powerful statement this evening, and his contribution to our special order. The gentleman has pointed out that the issue of the forests of our country and how they are managed is not a partisan issue.

Americans of all different political philosophies agree that we need to be concerned about what is happening with our forests, and I thank the gentleman especially for telling the story about William, because many of us who have been in the forests know the spiritual experience of being able to see these great creatures, these giant trees, so much bigger than we are and so much older than we are, and it gives us a sense of perspective, I think, about our lives. And we want our children and their children to be able to have this experience as well.

I thank the gentleman from South Carolina [Mr. RAVENEL], and the gentleman from New York [Mr. SCHEUER], both for speaking to the importance of the endangered species and also speaking to the shortcomings of addressing these issues one species at a time.

I do not think the question is: "Is the Endangered Species Act a bad law?" It is a very important law. We should not reach the conclusion that the Endangered Species Act should be weakened or repealed in any way. I think the conclusion one must reach is that we are asking the act to do too much. We cannot wait until the habitat of a species is so decimated that they become endangered.

We should have learned that from the experience with the spotted owl. It is not just the spotted owl, however, which is at risk in the Pacific Northwest. More and more we are realizing that there are many, many species that are affected.

One area where increasing attention has been given is the fisheries of the Northwest and how they are threatened. Just a few days ago, several commercial fishing and sport fishing groups joined environmentalists asking the U.S. Forest Service to immediately halt logging in the Pacific Northwest which is damaging the fishery resources.

□ 1750

A letter was signed by groups, including the Oregon Rivers Council, United Anglers of California, the Independent

Troll Fishermen of Oregon and addressed to the regional foresters in the Pacific Northwest making the point that the threat to the fishery resources is very immediate. To quote Jim Johnson, who is the president of the Troll Fishermen, the commercial fishermen, "Our jobs are on the line. Once the fish are lost, so is our way of life." The American Fisheries Society, which is a professional organization of scientists who are experts on the fisheries, have identified 214 depleted stocks of anadromous fish in Washington, Oregon, and California.

Now sometimes when the issue of fisheries is discussed, the blame for the problems is laid at the foot of the dams on the Columbia River, and that is a factor, but two-thirds of the fish that are cited by the American Fisheries Society, two-thirds of those 214 depleted fish, are fish that are outside of the Columbia River basin. The decline in many of these stocks is in almost all of them to some extent attributed to the logging activities. There is no question that the fishery resources of the Northwest are in decline, and I believe that scientists today are in virtually unanimous agreement that the major cause of that decline is the degradation of habitat for these species, and we are virtually going to see an endangered species of the month parade of, not just fish, but other species if something is not done to protect the forests. This Friday the Pacific Fishery Management Council will meet in San Francisco to decide whether to ban ocean salmon fishing for this coming year because some runs are falling short of the numbers believed needed to spawn a new generation.

Does commercial fishing pressure have something to do with the problem? Yes. Do the dams on the Columbia River have something to do with the problem? Yes. But I believe most of all the degradation of habitat that has resulted from the overcutting of the forest in the Pacific Northwest is the cause of the problem.

So, I would argue that we cannot wait for the Endangered Species Act to take effect if we are to be wise stewards of the resources, and I would argue that we need an endangered ecosystems act that looks, not only at forests, but at the other ecosystems in our country, the prairies, and the deserts and the ocean ecosystems, and view these natural systems from the perspective of how they function and put into law the requirement that we manage these systems for their sustenance.

Our land management laws in the past have been based on the idea that we should balance different uses, and there still is a place for a variety of uses for our public lands. There are many places where we can cut timber and where we can have other commodity uses. But I believe that the laws of

this country should be changed so that the first objective of our land management agencies, whether it is the Forest Service, or the Bureau of Land Management, or the Fish and Wildlife Service, or the National Park Service, or any of the other of our Federal agencies that own and manage our Nation's lands, the first objective should be to sustain the natural systems that these resources depend on because, if we cannot sustain these ecological systems, we are diminishing the productivity of these resources, and we are passing them on to the next generation diminished.

Our understanding of how to sustain these resources and how to know if their productivity is being adversely affected is far advanced over what it used to be. Our scientific understanding of how these systems function is much advanced. In the old days we did not realize the importance of biological diversity. We would view perhaps different plants or different animals as being interesting, but not really very important from the standpoint of the productivity of the resource. We used to view forests just in terms of how many boardfeet of timber could be produced and are we sustaining the number of boardfeet of timber that can be produced over time.

Well, today we realize that biological diversity, the breadth of specie, the number of specie and the genetic diversity within the specie, is a very important measure of the productivity of those systems, and, when biological diversity is threatened, then the systems themselves are threatened, and we need provisions in the law for the Forest Service, and for the Bureau of Land Management, and for all these agencies that requires them to sustain biological diversity.

It just happens that the one ecosystem in our country which is on the brink, which is on the verge of collapsing at the present time, is the ancient forest ecosystem of the Pacific Northwest. Up until recently, when the courts found that our agencies were violating the law and directed them to stop some of their past practices, we were cutting these ancient forests in the Pacific Northwest at a faster rate than the rain forests of Brazil were being cut. Most of the public knows the problem in Brazil. Most of the public in our Nation has become aware of the issue insofar as the rain forests in Central America and South America are concerned. But only recently have the American people become aware of the problems we have in our own forests and the fact that we have cut, cut them to a much greater extent. The forests in Brazil have been decimated to a much lesser extent than the forests in our country have been cut over, and we need to take action now. This is literally at the crisis stage.

The gentleman from South Carolina [Mr. RAVENEL] who joined me earlier

spoke to his experience in flying over the forests in the Olympic Peninsula and seeing the devastation. Mr. Speaker, I submit to you that, if every American could fly over these forests, and see the landscape, and see the clearcuts, and see the erosion, we would see the Ancient Forest Protection Act passed within this body within a matter of days. One does not have to be an ecologist, one does not have to know the term "biological diversity" to see that something is wrong, that the integrity of the landscape has been violated.

The irony in these forests in the Pacific Northwest is what is left is almost entirely in public ownership. The forests that were on private lands have been cut. And what is left, so far as ancient forests are concerned, is practically all on public land.

Now the opportunity that we have as the Congress is critical because no one else will make the decisions about these public lands. It is our responsibility. We are the stewards. For too long the decisions about how these lands would be managed were not made with an understanding of the scientific consequences. They were not made from the perspective of the well-being of all of the people of our country, and that has to change, and I think we are seeing those changes, and I believe that we will see the appropriate committees in the Congress, the Committee on Agriculture, and the Committee on Interior and Insular Affairs, of which I am a member, and the other committees bring to the floor soon legislation which will put our policies back on the right basis.

Very recently our committees held hearings in which representatives from the agencies came forth, and we discussed with the agencies what plans the administration has to protect our forest resources. I was very discouraged at what I heard. I do not think we can let the agencies continue without a change in the law. I think we have to give them new directions.

One of the interesting aspects of this controversy is that in fact it has been the scientists from the agencies, like the Forest Service, that have revolutionized our understanding of how forests function. It was research that was done on our national forests, such as the H.J. Andrews Experimental Forest in the Willamette Forest in Oregon, that has changed our complete understanding of how forests function. One can still go someplace and hear people talk about decaying, dead, decadent forests and talk about how wasteful it is to have snags or dead logs, and how necessary it is to remove these dead and decaying material and to cut those forests down so that young healthy forests can take their place.

Well, that is the way we used to believe that forests functioned. Today we

know better. Today we understand that those snags, that those downed, decaying logs, are the biological legacy of the forest. They are the source of nutrients for the growth of young trees; they are an integral part of the forest ecosystem, and nature wastes nothing.

One of the characteristics of the ancient forest in the Pacific Northwest which makes these unique is the complexity of these ecological systems. They evolved over thousands and thousands of years, and here we are at the beginning of exterminating them as viable ecological systems at the very moment in history when we are beginning to understand how they function.

□ 1800

Who knows what other plants, what other trees, what other genetic resources may be harbored in those forests?

Up until recently we saw the Pacific yew as a shrub, as an unimportant species that could be burned. Now we know that the Pacific yew is the source of a drug called taxol which may be a cure for cancer. Scientists are able to study the taxol and, fortunately, are near to being able to synthesize its chemical. Had we proceeded in cutting our forests so that the yew was gone, the ability of scientists to study that chemical and to replicate it would be nil.

We just have no way of knowing what other drugs may come from the forests. We only understand a small fraction about those forests function. So it would be hasty and imprudent to cut those forests to the point where they failed to function as a viable ecological system.

Some people ask, "Don't we have wilderness? Don't we have parks? Why do we need to set aside additional areas as ancient forest preserves?"

Well, we do have wilderness areas in the Pacific Northwest and throughout our country which are very valuable, but they were not designated by and large for ecological reasons. Wilderness areas were designated and have been designated and will be designated because they are scenic, because they are remote, because they provide outstanding opportunities for recreation, for solitude. But they are not designated specifically for their ecological function.

So in the Pacific Northwest we have a situation where we have lots of high elevation areas that have been put into wilderness, but we do not have other areas which are also very important parts of the forest.

So what the Ancient Forest Protection Act would do that I have spoken about this evening is to look at the landscape from an ecological perspective, to look at the existing wilderness areas, to look at the existing areas that have been protected under the Endangered Species Act as a critical habi-

tat for the spotted owl, and ask the question, what more must be done to see that these systems can be sustained as viable, functioning ecological systems?

The Ancient Forest Protection Act would give the responsibility to ask that question to a panel of scientists which would be appointed by the Council on Environmental Quality and could be appointed by some other group. The important thing is we need to ask the individuals in our Nation with the scientific understanding of how forests function to look at this question, to examine what is happening on these publicly owned forests, which belong to all of us in this country, and to bring back to the Congress recommendations about which areas need to be set aside in addition to existing wilderness or parks, and also how we should manage the other forest lands.

I believe that it will take both. It will take additional reserve areas where there will be no logging, no road building, and it will take a change in the management practices in other forests.

We will continue to produce timber from the forests, the privately and publicly owned forests in the Pacific Northwest. But I think we will do it in a different way. And we will produce a smaller amount of timber, because that is all that can be sustained by these forests.

In essence, during the decade of the 1980's we overcut these forests. We incurred an ecological deficit. Throughout the decade of the 1980's we cut somewhere in the vicinity of 10- to 15-billion board feet of timber more than we should have.

Perhaps there was an excuse for that a number of years ago when we did not understand how much we could take from the forests. But today there is no question that we can only take so much. We have been taking too much in the past, and we have to adjust the management of these forests. We have to adjust our timber economy to the reality, the biological reality that there is only so much ancient forest there.

Very recently, within this last year, there was a group of scientists that was convened by the House Agriculture Committee and the House Merchant Marine and Fisheries Committee and asked this question: what recommendations would they make about protecting additional forests or managing forests to see that the value of old growth and fisheries and other species were sustained?

This group, called the Portland Group, consisted of scientists from the land management agencies themselves. They were brought together in an unprecedented meeting to debate and study and prepare recommendations.

That report came to the Congress just a few months ago. We now can use

that report as the basis of legislation which the Agriculture Committee and the Interior Committee will produce soon.

Mr. Speaker, the inescapable conclusion from these scientists is we cannot continue to cut 4 billion board feet a year, or even 3 billion board feet a year, or maybe even 2 billion board feet a year from these forests in the Pacific Northwest, in region 6, Oregon and Washington State, if we are going to sustain the environmental values that are so important to us.

This group of scientists outlined for us a number of options that we can pursue. I believe that this report gives us the scientific information we need to write the legislation.

Included in this legislation will be a more thorough scientific study which will give us the information we need to make long-term decisions.

There are a couple of other questions that have been raised about this legislation that I want to address in the time that remains in the special order on forests tonight. One of those questions is where are we going to get the timber that our Nation needs if we do not cut these ancient forests?

Well, I think it is important to put the whole issue in perspective. At the present time most of the wood products from our country, that are used by our country, come from the private lands, not from the public forests.

The national forests right now are something in the vicinity of 15 percent of the timber that is used in our country. We have vast privately owned forest lands in the Pacific Northwest, in the South, in the Midwest, and all across our country. The irony is we have been neglecting these private lands. We have been neglecting the productivity of these lands in private ownership, while we have been fighting about what will happen to our public forests.

That policy has to change. Whether the Ancient Forest Protection Act passes, no matter what happens to the spotted owl or the other endangered species, we will need more of our wood products produced from the private forests.

We need a comprehensive program to invest in those private forests and to increase their productivity. We fortunately do not need to cut down 400-year-old trees to produce 2 by 4s. The wood products industry in the Pacific Northwest is undergoing a change. The reason they are undergoing that change is because the ancient forests are elements of resource. The industry has recognized this and has retooled many mills so that they can cut the smaller trees, the second growth trees that are quite adequate for producing veneer or producing 2 by 4s or for virtually all other uses.

I think we have an obligation to the communities that are affected and the

industries that are affected to try to help with this transition to a second growth economy. The transition will be made sooner or later. It will either be made when the last of the ancient forests are cut, except for those that are set aside in parks or forests which are recognized by scientists as not enough to sustain these forests' ecosystems, or it will occur when we decide that we want to save some of the last of those ancient forests.

Fortunately, we have the technological means. We have the economic means. It only will be determined by whether we have the political will to make that transition in time to save the last of those forests so they can function as an ecological system.

From a national standpoint there is no question we do not need the 400-year-old trees to meet the wood products needs of our country. We have millions of acres of timber base in the Pacific Northwest, and, in fact, the privately owned lands by and large are the more productive lands in the Pacific Northwest, as they are in the other parts of the country, because those lands were acquired from the public domain by different individuals and companies, and the lands that were left in our national forests when those were created early in this century were the lands which were by and large least productive.

□ 1810

So we have ample forest resources to meet the wood products needs of our country, if we manage them wisely. We do not have to sacrifice the last of these magnificent cathedral forests in order to meet the needs for timber, for homes or for whatever purpose. It is a false impression which is left by some that this is the choice that we face. That is not the choice at all.

We should be concerned, however, about the impact on specific communities. In fact, the number of jobs in the timber industry has been going down in the Pacific Northwest from factors that are not related to the spotted owl or the Endangered Species Act or this controversy over the state of our forests at all. The industries have modernized. That has been necessary for them to meet the competition.

Some of the companies involved, many of them have shifted their investments to other parts of our Nation. So there are communities where jobs have been lost and will be lost.

I think we do need to look at what can be done to assist those communities and assist those working families. I have said from the day that I first introduced the Ancient Forests Protection Act that it should be passed as a package of legislation with an economic component to complement the ecological component.

There are many things we can do. One thing we can do is to address the

issue of log exports. Our Nation continues to export in the vicinity of 3 billion board feet of logs a year. That is the equivalent of exporting jobs, because when we send those raw logs to Japan or Korea or any other Pacific Rim nation or wherever we send them as raw logs, we are losing the opportunity to mill those logs. I think that we should at least for the foreseeable future require that the logs be milled in the United States. We should keep those jobs in the United States. That would more than make up for whatever loss of jobs will occur under the Endangered Species Act or other legislation that may be passed.

It is not a question of owls versus jobs. It is a question of whether we are going to let the profits of some individual companies take precedence over the interests of the public in this issue. If we are truly concerned about jobs, then we will declare that there will be no log exports from the Pacific Northwest for the foreseeable future, that those logs will be milled in the Pacific Northwest and that we will keep those jobs here.

We can sell Japan finished products. Virtually no other country in the world exports raw logs except the United States, and we need to insist that the jobs are kept here in the United States.

Mr. Speaker, in our special order this evening, we have tried to outline the issue that should be of concern to all Americans. That is, what are we doing in the Congress of the United States to see that these forest resources are passed on to the next generation unimpaired, that we maintain for those who will come after us the natural resources of this country as a part of our heritage?

I want to thank the gentleman from New York [Mr. SCHEUER], the gentleman from South Carolina [Mr. RAVENEL], for joining me. There are many other Members of this House who have become cosponsors of our Ancient Forests Protection Act to signify their support for the goals of this legislation.

Very soon the Committee on Agriculture, the Committee on Interior and Insular Affairs, through the leadership of their distinguished chairmen and subcommittee chairmen will be bringing to this House legislation to address this problem. I think it is important that we take action on this legislation and resolve the controversy so that we can go home to the people we represent and say, "We are passing on these forests to you, to your children, to their children, as a resource for their benefit and enjoyment, not just our own."

Mr. Speaker, I thank my colleagues for their contribution.

Mr. BROWN. Mr. Speaker, while much of the current debate on ancient forest protection legislation has focused on the Pacific northwest—and rightly so—we should not lose sight

of the fact that this same debate will be replayed in the coming years, this time focusing on national forests throughout all of California, if we exclude the Sierra Nevada region in any ancient forest protection act.

Because of a history of more than a decade of overcutting—actively promoted by the U.S. Forest Service and driven by political interference from the executive branch as well as the Congress—and now 6 years of drought, and countless years of air pollution—the ancient forests of California, especially those in the Sierra Nevada Range, are in danger of falling apart. These forests are in danger of losing their ability to function as a complex interconnected ecosystem.

If we continue to follow a pattern of overcutting—driven by environmentally destructive cut levels—we will have no one to blame but ourselves when the inevitable occurs. If Congress does not act, two events will occur in a few short years.

Thousands of loggers and millworkers will be unemployed, and the ecosystem of the ancient forests will be destroyed. We must, for the future of our workers and the future of our forests, attain sustainable cut levels for our national forests. Our current policy simply is not working.

California is an extremely important timber producing State, providing more than 6 billion board feet of timber to our economy each year. In terms of public lands, more timber is cut in California than any other State except Oregon. As a native Californian I am aware of the fact that we play an important part in the production of timber, and that is precisely why I am concerned about the timber management practices of our Federal Government.

If the U.S. Forest Service had followed the direction provided by Congress in 1976, when we enacted the National Forest Management Act, we might not be in this predicament. We directed the Forest Service to establish sustainable cut levels—we directed the Forest Service to establish long-term plans—we gave the Forest Service ample time to develop these plans—and here we are today, 15 years later, faced with a crisis in the Northwest.

It may be too late to correct some of the damage inflicted by the cut-now-and-plan-later policy followed by the Forest Service, and this administration, but it is not too late to do something for the ancient forests that remain.

California has an unequalled diversity of ancient forests, ranging from the giant sequoias in the southern Sierra Nevada Mountains, all the way north to the Klamath National Forest, where 17 different species of conifer trees are found in 1 square mile. In terms of conifers, this area is the most biologically diverse spot on Earth.

California's ancient forests are also experiencing an incredibly great demand for recreation. For example, the Inyo National Forest on the east slope of the sierra has the greatest recreational use of any national forest in the Nation. Millions of southern Californians visit the southern sierra every year for hiking, backpacking, fishing, and more. As our State's population expands and development further encroaches on our forests, the demand for recreation in ancient forests will only increase. We need to plan for the needs of our children, recreational as well as economic. We must not

continue the exploitation of our remaining natural resources, including our ancient forests.

California's ancient forests must be protected. We need a strong ancient forest protection act, scientifically based and permanent. And the ancient forests of the Sierra Nevada must be included in any legislation that we pass. Much like our other natural treasures, ancient forests must be left for future generations to enjoy.

We can continue to follow a short-term, environmentally destructive, economically unsustainable forest policy, or we can finally put in place, and enforce, a long-term, environmentally conscious, and sustainable forest policy that benefits both people, and the environment. We must remember that economic development and environmental protection are not mutually exclusive. We can, in fact, have it both ways. More than that, we must have it both ways.

Mr. LEVINE of California. Mr. Speaker, saving our Nation's ancient forests is an enormous task, and I would like to commend my colleague Congressman JONTZ for his leadership in this effort.

Our ancient forests are among our Nation's most beautiful and important natural resources. They are home to an incredible variety of plant and animal species. And the trees and plants which make up these forests are breathtakingly beautiful. Anyone who has ever had the opportunity to visit these areas comes away stunned by their majesty.

We are only just beginning to understand just how valuable a resource our ancient forests are. Unfortunately, they are being destroyed at an alarming rate.

The Bush administration has made it clear that it has no intention of upholding its responsibility to protect the ancient forests and the critical habitats within them. If the administration would devote as much time and energy to enforcing our environmental protection laws as it devotes to circumventing them, our ancient forests would be secure.

For example, Secretary Lujan recently created yet another interagency task force to study the northern spotted owl. But unlike its predecessors, this new task force is to be unconstrained by existing laws in recommending a solution to the owl problem, laws like the Endangered Species Act, and the National Forest Management Act. Mr. Speaker, the scientific studies have been done, and the results are clear: It is past time to protect the old growth forests.

The intransigence of the administration with respect to the northern spotted owl has, in many people's minds, made the debate on ancient forests synonymous with protecting that endangered species. However, the spotted owl does not, and should not, define the limits of the old growth debate. Like the magnificent forests of the Pacific Northwest, the old growth in California's Sierra Nevada has sustained severe damage, and is as threatened as that in Oregon and Washington.

The 11 national forests in California's Sierra Nevada range are home to some of the most massive conifers in the country, and are rich in biological diversity. Unfortunately, this national treasure is in jeopardy. Less than 10 percent of the original Sierra Nevada ancient forest remains, and it too will be gone unless

Congress acts to protect them. These forests form a delicate ecosystem that is home to more than 100 species of wildlife, like the California spotted owl, the white-headed woodpecker, the willow flycatcher, the fisher, the pine marten, and the northern alligator lizard, all of which prefer this old growth habitat. The vast diversity of these forests is threatened by intense logging of the forests. Unless Congress acts quickly to protect their habitats, we are likely to be faced with more endangered species.

What little remains of the Sierra Nevada's forests is threatened due to the combined effects of past overcutting, erosion, drought, and air pollution. As many as one in five trees is dying of these causes. The forest simply cannot sustain continued intense logging of the remaining healthy trees. I look forward to working with my colleagues in the coming months to protect the Sierra's forests from further deterioration.

Mr. ATKINS. Mr. Speaker, I rise tonight to speak on the subject of protecting our Nation's remaining ancient forests. I commend Representative JIM JONTZ, the author of the Ancient Forest Protection Act, for his tireless efforts to keep this topic before the minds of our colleagues here in the Congress.

I am often asked why, as a Representative of Massachusetts, I get involved in protecting the ancient forests of the Northwest. First and foremost, I am involved because, as an American, they belong to me and to all of us. Second, I am involved because these forests play a vital role in the global environment by protecting watersheds, insuring water quality, providing wildlife habitat, maintaining the carbon cycle, and conserving biological diversity. Third, I am involved because I strongly believe the situation in the Pacific Northwest is simply an example of mismanagement by the U.S. Forest Service which unfortunately is becoming more evident across the country.

Under the National Forest Management Act, the National Environmental Policy Act, and the Endangered Species Act, Federal forest management policy in our country has the stated purpose of maintaining healthy forests and diverse wildlife populations. That is the policy is to protect ecosystems and all species, whether or not we are wise enough to understand their value. If it is true that endangered species serve as environmental barometers for the health and productivity of ecosystems, then the decline of the spotted owl population is sending us a dramatic message about the mismanagement of our natural resources.

Last February, in the Interior Appropriations Subcommittee, I presided over nearly 7 hours of testimony concerning the mismanagement of public forests across the entire country, not just in the Pacific Northwest. What I heard was deeply distressing to me and convincing enough to believe that the situation in the Pacific Northwest will be repeated throughout the national forests, unless we begin now to reform the Forest Service. Let me share with you just a few examples from this hearing:

Together, the Forest Service and the Appropriations Committee instructs each national forest about the amount of timber they must offer for sale each year without regard to what the ecosystem can sustain or what the market will buy. For instance, despite the fact that

Florida's national forests contain two of the world's most endangered ecosystems—the ancient scrub of the central and coastal ridges and the longleaf-wiregrass complex of the coastal plain—and despite the fact that the southern national forests harbor twice the number of endangered, threatened and sensitive species than any other region, the forest plan calls for a doubling of commercial timber output from Florida's already overharvested public lands.

Another example arises in Vermont where only about two-thirds of the timber offered for sale by the Green Mountain National Forest in 1990 received bids from industry. The Forest Service's response? Double the amount of timber offered the following year and find new markets for the wood. Now some of New England's remaining forests are to be ravaged in order to produce electricity for the New England power grid. And this is occurring during a power glut, I might add.

The Forest Service contends that these timber targets are sustainable, pointing to regrowth in clearcut areas that will be available in years to come. However, the evidence presented at the hearing last week caused me and others to call these phantom forests. Several groups testified that the Forest Service has not acknowledged the many reforestation failures that have occurred in clearcut areas around the country, particularly on steep slopes of southern Oregon. For example, the Forest Service, in their computer program, shows that an area that had been clearcut 20 years ago is now covered with trees over 20 feet tall. However, when you go out on the ground, there aren't any trees there, instead the ground is covered instead with shrubs and brush. Furthermore, the Forest Service has made repeated efforts to regrow these trees, only to experience repeated failures.

Even though we do not know how to regrow these forests, the Forest Service also includes outlandish estimates of how fast they will regrow. The Forest Service's computer model shows that these new tree farms would grow two times as fast as natural stands, while the Bureau of Land Management estimates that tree farms would grow three times as fast. According to these models, if the trees were allowed to grow rather than be harvested, they would reach a height of 650 feet. Now I don't know of a tree anywhere in the world that reaches the height of 650 feet, but the Forest Service's tree experts claim to. The Forest Service's computer model assumes these phantom forests will be available for future harvests forests to justify today's unsustainably high harvest levels.

The final outrage: Taxpayers are asked to support this mismanagement at an enormous cost to the Federal Treasury. The Forest Service itself admits that of the 122 national forests across the country, only 57 forests made money last year. Others estimate that number is closer to 20. How much money is lost? It is hard to tell, because of how the Forest Service accounts for these sales. In reports to the Appropriations Committee, the Forest Service estimates it earned \$630 million on timber sales in 1990. But when actual costs for roads, reforestation, and administration are counted, the Treasury paid out \$100 million to give away that timber. A report prepared by

Mr. Bob Wolf, a retired forester, for the Government Operations Subcommittee on Environment calculated that the Forest Service may have lost the Treasury over \$6.3 billion since 1979 selling our timber below cost. That's a huge taxpayer subsidy to the timber industry.

Mr. Speaker, we have ignored the warnings that endangered species have presented to us over the years. We must stop fooling ourselves. We cannot continue to discard ecological pieces—ecosystems and species like these ancient forests and the spotted owl. We must protect ecosystems for all the many values we know they provide, as well as for their value and intrinsic worth we have not yet discovered but our children and grandchildren may.

The Ancient Forest Protection Act is one way of insuring that the remaining fragments of old growth forests are protected, rather than destroyed forever by clearcuts. But we must also pursue reform of the U.S. Forest Service—specifically phasing out below cost timber sales and returning the incentive to manage for ecological values, not for commercial reasons. Finally, we must also look toward a strong reauthorization this year of the Endangered Species Act that continues to protect species and biodiversity for our own sake and for the sake of our children. I look forward to seeing that this legislation is enacted soon.

Mr. WALSH. Mr. Speaker, as a cosponsor of H.R. 842, the Ancient Forest Protection Act, I rise to reiterate my support for legislation that would establish long term, permanent protection for the ancient forests of the Pacific Northwest. I am also concerned about the current abuse of the Endangered Species Act by Secretary of Interior Manuel Lujan.

For the last 40 years, the ancient forests of the Pacific Northwest, Federal and private, have been systematically clearcut. Ancient forest resources on private lands have been virtually eliminated, and it is clear that if logging continues unabated on Federal lands, the remaining ancient forests soon will be destroyed as well.

The ecological aspects of ancient forest destruction have been analyzed and are widely known. In a few short decades, we have destroyed 90 percent of an ecosystem that evolved over many thousands of years. The plight of these forests was recently covered by the New York Times, and I would like to include a copy of this article in the RECORD with my remarks.

I first became aware of the grave consequences of the rapid and irresponsible logging of natural forest ecosystems during my work as a Peace Corps volunteer in Nepal. My work in the expansive forests of Nepal has provided me with first hand knowledge of the tragedy and destruction created by poorly planned timber management practices. These magnificent Nepalese forests had existed for thousands of years and yet, due to an ill-advised resettlement program initiated by the Nepalese government, these forests have totally disappeared within 20 years. These forests were home to tigers, rhinos, pythons, wild buffalo, and hundreds of bird species of every color and hue. Now they are gone: Both the trees and the animals. We can't afford to make that mistake with our ancient forests.

During my years in the Peace Corps, my experience has led me to conclude that we cannot avoid the fundamental linkage between the environmental and economic health of a region or nation. Ultimately, bad forest management practices or other economic activities tend to undercut the economic future of the Nation or region.

The effort to protect our ancient forest depends, in large part, on dispelling the myth that protecting old growth or ancient forests will devastate the forest products industry and ultimately the regional economy. While fundamental changes are already underway within the industry and the region, sustainable forest management can support both a viable timber economy and a healthy environment.

The present course of action can do neither. It is clear that the timber industry is undergoing a fundamental transition in its role in the region. The timber industry has recognized these changes for years. George Weyerhaeuser warned the industry of its own transition in February 1986. In a speech to industry employees, Mr. Weyerhaeuser has some harsh truths to share:

The industry has changed in fundamental and permanent ways. A set of economic factors both within and beyond the industry has combined * * * to transform the lumber and log markets.

The harsh reality is that the competitive environment within the forest products industry has changed dramatically and permanently since 1980. Forest products companies, both big and small, must learn to play by a new set of rules if they are to survive.

The timber industry, which once dominated the region's economy, has been in a nearly decade long transition that has featured improved labor productivity, mill modernization, log exports, and sadly an enormous decline in direct employment. These job losses have come at time when the timber industry has been cutting trees at record speed. The industry's share of the region's economic activity has been cut in half over the past 20 years, from 7 to 3.5 percent.

How has this happened? It has happened in part because a decade ago it took 4.5 workers to produce every 1 million board feet of lumber and plywood; today it takes just three workers to produce the same volume of wood products.

And what has been the timber worker's reward for this improved productivity? Fewer jobs, fewer shifts, and much lower wages. More than 26,000 jobs were lost during the 1980's because the timber industry became more automated.

These jobs were lost before a single acre of Federal land was protected as spotted owl habitat.

Log exports have also cost thousands of domestic timber workers their jobs. The Forest Service has estimated that 860 U.S. timber jobs are lost for every 100 million board feet of raw logs exported. Last year, some 3 billion board feet of raw logs were exported from Pacific Northwest ports. These exports generated a huge profits for the timber industry, and cost local workers a potential 25,000 jobs.

As a result of this ongoing transition, the timber industry is no longer a dominant component of the region's economy, and never will be again. The region's economy is growing

and diversifying—in the last 2 years more than 250,000 jobs were added. While the timber industry will always have a place in the region, it is folly to assume that continued, unsustainable, logging levels will contribute to the region's economy.

We need to abandon the myth—once and for all—that cutting more trees is going to create more jobs. This did not happen during the industry's boom years during the 1980's when logging hit record levels. It will not happen now.

We do need to take a realistic look at the needs of timber dependent communities and address these needs in light of the ongoing and inevitable transition within the industry and the regional economy.

What is appropriate is a two part strategy of economic diversification and resource conservation. We need to link a sound economic package to the strong ancient forest protection legislation that must be passed by Congress.

Unfortunately, the ancient forest policies of the Department of Interior and other Federal agencies are focused solely on the spotted owl, with its probable goal of limiting the spotted owl's protection. These agencies have tended to ignore the fundamental linkage between the plight of the owl and the imperiled status of ancient forests. They have ignored the pain that shortsighted, unsustainable, logging policies have caused the citizens of the region.

Mr. Lujan's decision to convene the Endangered Species Committee, or the so-called God Squad as its commonly called, demonstrates a willingness to attempt to circumvent both the facts and the law. This committee is also being used as a platform to weaken the Endangered Species Act.

It is clear that a fundamental change in our Federal forest policies is necessary to prevent the destruction of the ancient forest ecosystem, species extinctions, and the loss of biological diversity.

Ignoring the weakening environmental law will not bring resolution to this issue or address the needs of the people of the Pacific Northwest. We must bolster our efforts to protect our forests and wildlife. An integral component of these changes must be the creation—as would be accomplished by H.R. 842—of a permanent system of ancient forest reserves. I urge my House colleagues to support the ancient forest protection of H.R. 842 as well as a sound economic transition package.

I respectfully close by posing a question which I believe has only one answer. How can we seek to persuade other Nations—particularly the developing nations in South and Central America—to protect their natural forest ecosystems when we will not choose to protect our own? I submit that we cannot.

THE CONTINUING CRISIS IN THE BALKANS

The SPEAKER pro tempore (Mr. JONES of Georgia). Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, I first want to commend the gentleman from

Indiana [Mr. JONTZ] for his statement that we should not be exporting logs and we should keep the jobs in the United States. I think that is something we all need to be concerned about, and I agree with the gentleman 100 percent on that. We are going to look at his bill very carefully after listening to him today.

Mr. Speaker, earlier today, my esteemed colleague from Michigan, Mr. BROOMFIELD, asserted that the United States should send aid and technical assistance to the recently recognized breakaway Yugoslav Republics.

That aid is needed, I concur, but not in the form that Mr. BROOMFIELD advocated.

The situation in the Balkans is still very tense. According to news reports today, fighting continues unabated, as it has since Sunday. Reuters correspondent Nikola Antonov reports:

Recognition of Bosnia's independence from Yugoslavia by the European Community and the United States on Tuesday has done little to end fighting between minority Serbs who opposed the split and Moslems and Croats who supported it.

Artillery, mortar and machinegun fire rattled through the city throughout the night, despite repeated calls for a ceasefire by Bosnia's leaders.

Sarajevo radio said more than 30 people had been killed in the capital alone since Sunday in the republic's worst crisis since World War Two. Dozens more have been wounded.

Yes, the Yugoslav Republics—all of them—need aid, Mr. Speaker. They need aid to stop the current unrest. They, however, do not need military aid. This would just increase the fighting. They need the aid of a competent mediation panel to work out their deep-seated differences.

Had the European Community, the United Nations, and the United States stopped to think about it, surely they would have realized that in a situation as tense as Bosnia-Herzegovina where fully a third of the people do not support the status quo, that some form of serious mediation is required.

But instead, the EC decided to go ahead with recognition of Bosnia-Herzegovina, even though they have scheduled a meeting on April 11 with the leaders of the various ethnic groups in Bosnia to resolve their differences.

The current Croat-Moslem partnership in Bosnia is a marriage of convenience, there historically having been no love lost between those two groups, and without an acceptable mediation of the concerns of all three ethnic groups in Bosnia-Herzegovina, a repetition of the interethnic violence that plagued this region during the Second World War is inevitable.

But now, the European Community, and more importantly, the United States, have given two of the groups the upperhand—the Croats and the Moslems—and have left the third—the Serbs, the only group that openly sup-

ported the allies in both World Wars—event more scared than before. And their fright is based on the genocide from 1941 to 1945 of 750,000 Serbs, Jews and Gypsies in the same area of Croatia by the Ustashi. And today's fighting has spilled over from the current Serb-Croat civil war.

Last week, neo-Nazi extremists seized the ethnic Serbian town of Kupres in northern Bosnia. These extremists, members of Dobroslov Paraga's HOS, came from the Republic of Croatia. Even President Tudjman of Croatia acknowledged this, although he also says he has no control over these forces.

According to Reuters, "Kupres was the biggest town seized by Croat militias during several days of fighting over independence in which dozens of people have been killed. It is the key town in an area which contains several federal military installations."

Surely, if the Croatians were in search of a peaceful solution to the strife in Bosnia, they would not have even attempted to seize the town.

This fact also is belied by the alleged slaughter of at least 12 ethnic Serbs in the town of Sijekovic in northern Bosnia by Croat and Moslem gunmen at the end of March.

Mr. Speaker, there are many facets to the current situation in the Balkans, and they cannot be hidden under simple buzzwords or catchall phrases: Why do you call Moslems or Croats "freedom fighters" when they are involved in the actions which I described above? Why do you call the Yugoslav army "Serb-led" when the prestigious Financial Times recently published that the JNA and the Republic of Croatia entered into a joint manufacturing venture to produce T-84 tanks which is going on right now.

Mr. Speaker, there are many sides and many ways to view the current strife in Yugoslavia. It is imperative that the United States not become blinded in its Yugoslav policy. The United States must see the big picture for what it is. This Congress must not lose sight of the fact that Germany has, by its recognition of Croatia, once again supported the aspirations of its Nazi ally from the Second World War. Is it too much to ask that the United States, the United Kingdom, and France at least accord fairness to the minority Serbs in Croatia and Bosnia-Herzegovina, their allies from both world wars, and not limit its views to those of the EC, the United Nations, or any other single proponent involved in the current strife.

The United States should not provide aid only to the breakaway Yugoslav Republics, Mr. Speaker, as Mr. BROOMFIELD advocates. Instead, let the United States take the forefront in mediating the current crisis, and provide for the concerns of all people involved, including the minority Serbs, and not

just one group or the other. That is the kind of aid that the Yugoslav Republics and the Balkans need right now. These ancient and deep-seated ethnic animosities will not just go away. So let us attempt to resolve the current situation, not just ignore it or condone unfairness.

The world has recognized that there is a serious problem in the Balkans. Without proper mediation, a repeat of the ethnic strife which characterized the area during the Second World War and began World War I is inevitable.

REPORT ON RESOLUTION PROVIDING FOR MOTION TO SUSPEND THE RULES ON APRIL 9, 1992

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-488) on the resolution (H. Res. 425) providing for consideration of a motion to suspend the rules on April 9, 1992, which was referred to the House Calendar and ordered to be printed.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 3, CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1992, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-489) on the resolution (H. Res. 426) waiving all points of order against the conference report to accompany the bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, and against consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 423 AMENDING RULES OF THE HOUSE TO PROVIDE CERTAIN CHANGES IN ADMINISTRATIVE OPERATIONS

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-490) on the resolution (H. Res. 427) providing for consideration of the resolution (H. Res. 423) amending the Rules of the House of Representatives to provide for certain changes in the administrative operations of the House, which was referred to the House Calendar and ordered to be printed.

□ 1820

U.S. POLICY TOWARD THE MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from New York [Mr. SCHEUER] is recognized for 30 minutes.

Mr. SCHEUER. Mr. Speaker, I yield to the gentleman from Texas [Mr. PICKLE].

REPORT ON OVERSIGHT INVESTIGATION INVOLVING THE CARLOS CARDOEN EXPORT CONTROL CASE

Mr. PICKLE. Mr. Speaker, I simply want to make a report to the Congress, and I appreciate being given a chance to do that.

Mr. Speaker, last year the Subcommittee on Oversight of the Committee on Ways and Means examined the Bush administration's effort to enforce United States export control laws. The subcommittee at that time was particularly interested and concerned about the illegal exports of weapons and weapons technology to Iraq and to other Middle East countries. You will remember that we had rumors and reports that several individuals were selling deadly weapons and munitions to countries even like Iran and Iraq, and that American goods were actually ending up in those countries. It is very difficult to find out how to catch these people. Overall, I would have to say that at that time I was not particularly impressed with the administration's efforts in this critical area. We just seemed to not be able to trace them down, or they could get off the hook some way or another. That is the frustrating thing for us.

We examined in detail three specific cases of major illegal transfers of deadly materials and related technology from sources in the United States to Iraq which were used to manufacture mustard gas, cluster bombs, and mid-range ballistic missiles and attack helicopter prototypes. Most of the individuals involved in these illegal transfers have gone scot-free. The United States cannot touch them because they are foreign citizens living outside the United States, or in one case, were foreign diplomats with diplomatic immunity at the time they committed the crimes. I am sorry to say that the hard-working dedicated Federal law enforcement agents who spend years investigating these cases usually come up with nothing to show for it at the end of the day, or at the end of the investigation.

However, and this is the good part about these efforts, those Federal agents have managed to get some measure of satisfaction in one of the cases that the subcommittee examined last year. After more than a year of sifting through myriad shell corporations and bank accounts all over the world, they have traced profits from the illegal sale of cluster bombs to Iraq by Carlos Cardoen, a native Chilean. Those goods were transferred to sale of real property and other assets in the United States. Last week, and continuing into this week, the Federal agents have seized Cardoen assets valued in excess of \$30 million.

Federal agents from the U.S. Customs Service and the Department of Commerce, Office of Export Administration, worked for months to unravel Cardoen's financial transactions. They traced the flow of proceeds from Cardoen's illegal deals with Iraq through Swiss bank accounts to numerous Cardoen-controlled shell corporations in the United States, Switzerland, and Chile and eventually to a Cardoen-controlled company in Miami, FL, Swissco Properties, Inc. Swissco Properties used these illegal proceeds to make several investments for Cardoen.

Today, Mr. Speaker, Mr. Cardoen still is free. He can walk the streets in Chile without apprehension. We may never be able to get our hands on him because he is in a foreign country, but at least today he is \$30 million poorer, and our Government is \$30 million better off. So sometimes we have to say to ourselves sometimes our Federal agents, like the Customs Service, Export Control, Commerce, they can conduct valuable investigative work.

Today I want to commend them for this very exhaustive, thorough, stick-to-it type of relentless investigation that has at least seized \$30 million of illegal munitions sales to merchants. I think that is good news for us.

Mr. SCHEUER. Mr. Speaker, I thank the gentleman from Texas [Mr. PICKLE] for his most interesting remarks. I think the net result on the bottom line of the situation he has described in an absolute disgrace, that our laws should have been so blatantly and ruthlessly exploited and abused by an American citizen. It is a matter of shock to me. It is hard to understand the kind of an individual who would abuse our laws and help a country that is endangering his own region, with a chief of state who is brutalizing his own people, endangering and threatening the region.

Mr. PICKLE. I would say to the gentleman, at least one merchant has been apprehended, and we seized his assets. If we keep after some of these other merchants of death and destruction, we can nail some more.

Mr. SCHEUER. I would say to the gentleman, he has done us all great service by bringing this to our attention.

Mr. Speaker, We heard last night on television that Yasser Arafat, the founder and leader of the PLO, was lost somewhere in the Libyan desert. After 15 hours of waiting, we found in the morning that he was safe and well, suffering only a few scratches and bruises after landing someplace in the Libyan desert in a sandstorm. The streets of Arab capitals of refuge camps in the West Bank and Gaza, and of Eastern Jerusalem erupted with dancing masses of jubilant Arabs celebrating Mr. Arafat's survival, just exactly as they celebrated the Scud attacks on Israel just 1 year ago.

□ 1830

I think all of us can be pleased that a human being escaped a fiery death in an airplane accident. No one wishes that on anybody. And so we welcome Mr. Arafat back into the world of the living, which he came perilously close to departing.

But nevertheless, a bit of rumination is in order. What I find strange about the news coverage of this story, at least to this point in time, is little attention has been paid to who Mr. Arafat is, what he stands for and what he was doing when he flew into that sandstorm. Mr. Arafat was on no mission of peace, believe me. He is a terrorist. Believe that. He stands for the violent conquest and subjugation of Israel. He was flying, as I said, not on a peace mission, but on a mission to encourage the continuance of conflict, of death and of terror. One would barely notice it in the news reports, but Yasser Arafat was on his way to visit a PLO guerilla base in Sudan, a guerilla base, a base where they train PLO soldiers and convert them into terrorists so that they can attack even more viciously and more skillfully civilians in Israel and abroad, attacking men, women, and children in buses, in supermarkets, in the parks, on the beaches, attacking them with the aim of maiming and killing as many as they can.

And he was flying over a vast desert. Where? Libya. He was flying over Libya, the same country that refuses the United Nations and the United States demands the surrender of two terrorists responsible for the cowardly and dastardly destruction of Pan Am 103 over Lockerbie, Scotland.

And what was his destination? His destination was the Sudan, that African country that Iran has recently taken under its radical wing in an attempt to transfer it into a fundamentalist Islamic state.

These aspects of the PLO chairman's trip show his true nature and the true nature of his organization, the Palestine Liberation Organization. He was not on a peace mission, and they are not on a peace mission. That is not what Yasser Arafat is all about, and that is not what the PLO is all about. No, the PLO is committed to the overthrow and destruction of the State of Israel. The PLO is committed to driving the last Israeli into the Mediterranean. The PLO has never given up its dreams of conquest and liberation of what they perceive to be Arab and through armed struggle and revolution.

Mr. Speaker, at a time when such agendas should be tossed onto the ash heap of history, at a time when we have already seen the other great global superpower announce the end of the cold war, at a time when we have seen our ideals—of freedom and democracy and independence, of the liberation of the human spirit prevail, when we have seen the Russian State capitulate dis-

integrate and after that the Warsaw Pact countries rush to adopt our ideals of liberty and independence and dignity of the human spirit through democratic forums. At a time like this, Mr. Speaker, would you not think that the PLO would search its innermost soul to see if it could not have a more constructive mission? But no, they are still committed to the overthrow and destruction of Israel. And they still have not given up their dreams of conquest and liberation. They still have not given up their dreams of the days of Saladin a thousand years ago when the Arabs ruled a large portion of the civilized world, and when the Arab civilization was preeminent in the world at that time. It is just a pity at a time when such agendas should be tossed into the ash bin of history and be replaced by a thoughtful, democratic concept of a new world order where nations would live in peace with nations and people would respect each other, it is unfortunate that the Arabs have been given signals of encouragement from our own administration, the American administration to persist in their fantasies.

Our President's demonstrated willingness to criticize Israel constantly and systematically, his lack of concern about maintaining any kind of a warm United States relationship with Israel, has indeed encouraged rejectionist Arab states all over the world. They have been reinvigorated by this administration's attitude toward them.

In the last few months we have seen very disturbing signs of a resurgence of terrorism. Terrorists bombed the Israeli Embassy in Argentina, killing dozens of innocent people. Terrorists killed innocent worshippers in Turkey at the Jewish synagogues there, and terrorists in Israel itself have stabbed, slashed, and sliced into pieces Israeli soldiers and civilians.

□ 1840

Mr. Speaker, the President's attitude toward Israel has become perfectly clear to the entire world and especially to the chiefs of state of the Arab countries. He has engaged in persistent and unremitting criticism of Israel. He has accused Israel of breaking faith with the United States and making our military secrets available to China and perhaps other countries—all without any proof, as the State Department belatedly admitted just a few days ago.

He has sent, by his absolute obsessive singleminded concern with Israel's settlement policy, a very clear signal to the Arabs and that is that he, the President, and the Secretary of State view the State of Israel as the sole obstruction to peace in the region.

When Mr. Baker and President Bush refer to Israel's settlements policy as the sole obstruction to peace, they do not count any of the Arabs' aberrational and destructive behavior also as

obstructionist to peace. You never hear Mr. Bush or you never hear Mr. Baker talking about the Arab economic boycott of 44 years as being an obstruction to peace, even though in diplomatic terms it is actually an act of war. You never hear Mr. Baker or Mr. Bush refer to the constant flow of poison and venom from Arab media, from radio, from television, from the press, poisoning the minds of their young people who will be the next generation's leaders. You never hear that referred to by the President or the Secretary of State as impediments to peace.

You never hear of the consistent support by some Arab countries, many Arab countries, of state-supported terrorism, most of it directed against Israel, as an impediment to peace. How can that be?

Mr. Speaker, it is hard for me to understand why the President does this, but it is not hard for the Arab chiefs of state to understand why he does that. He is sending them a very clear signal. He is sending them a signal that Israel is the problem, and that all the Arab chiefs of state have to do is sit on their hands not negotiate, not conciliate, not meet Israel halfway, and not bite the bullet, or make a serious attempt to face the world of reality as it is today. Just stay intransigent, just stay unyielding, just wait until the United States delivers Israel hog-tied and powerless to the Arab negotiators. Now, this is the message the administration is sending to the Arab leaders today even as the negotiations are going on, and it is a very destructive message, because there is not a man or woman in this room who really believes that the Israelis are going to let themselves be delivered into a state of insecurity.

They will not pay that price for the \$10 billion of loan guarantees or for anything else.

For decades the United States has been demanding for Soviet Jews the right to emigrate to the country of their choice and most of them have gone to Israel. The United States has been a stalwart supporter of such emigration, and the United States has always promised aid. Now, when the time has come and the Soviets have opened the gates to their Jewish population—and nobody knows how long those gates will stay open—and when there is a stream of Russian immigrants coming to Israel in the next 3, 4, 5 years that is estimated at a million or more, almost half of whom have advanced degrees in science, mathematics, engineering, and brilliant musicians by the thousands, the United States is reneging on its solemn promise, is turning its back on Israel and is telling Israel, "Now, we are going to attach a condition. If you want our aid, you must stop the settlements."

For the United States to now apply conditionality to their willingness to extend the \$10 billion loan guarantee,

to my mind, is a shameful abandonment of the United States' obligation to Israel and the Russian Jewish community.

Why apply conditionality to loan guarantees only to Israel. In the last 5 years, Mr. Speaker, the United States expended \$12 billion of loan guarantees to the Arab world—\$3 billion in the last year alone—and whereas Israel has never defaulted on a loan, ever, and would surely repay the \$10 billion loan which they hope the United States would guarantee, the United States has already had to pay \$360 million for a loan that they guaranteed to Iraq in the 1980's and which Iraq defaulted on.

There was never any suggestion of conditions on these loan guarantees to the Arab States—conditions like ending the Arab economic boycott, or ending the state of war which the Arabs have insisted on maintaining for 44 years, all of them except Egypt.

No, Mr. Speaker, there was no suggestion of conditionality on the cessation of the vicious flow of poison emanating from all of the Arab media, either.

So I say that this administration's policy has done a grave injustice to Israel, to the Soviet refugees who would like to come to an Israel that could afford to find jobs for them and find housing for them. But the worst injustice is to the peace process itself, because of the way it has encouraged Arab stonewalling.

So the President has really thrown a wrench into the machinery of the peace process and has threatened its viability, has threatened the integrity of the process by his overwhelming consistent and systematic bashing of Israel and sending a signal to the Arabs that he is going to take care of the Israelis.

□ 1850

We are paying a terrible price for the lost opportunities of peace, the lost potential to all the people of the Middle East of engaging in a peace process that counts.

I spoke earlier with the gentleman from Indiana [Mr. JONTZ] who is suggesting a rational lumber policy, a rational policy for the United States to preserve and save its last major northwestern forests, these glorious trees of up to 300 feet. This is relevant to the potential of peace in Israel. Let me tell you why.

The Middle East of ancient times had numerous forests. But not any more. Now it is desert because the trees were not preserved. Now, there is enormous potential for reforestation in the Arab lands, just as the Israelis have proved with reforestation in Israel, where they planted several hundred million trees and where a satellite photograph will show the green crescent of Israel, surrounded by a sandy wasteland of the Arab countries, with just a green squiggle in Egypt—the Nile River—and

the several miles on each side that is arable land.

Well, Mr. Speaker, the possibilities of cooperation between Arabs and Israelis once we have peace achieved are absolutely mind-boggling and staggering.

I will give full credit to the Secretary of State for his shuttling about the region last year to get the parties together, and to Mr. Bush for producing a significant result in getting the parties to sit down at the conference table. But this current egregiously foolish policy—of sending a signal to the Arabs that the United States will deliver Israel and that Arabs do not have to meet the Israelis halfway or a quarter of the way or make any compromise or make any concession—threatens the very integrity, the very possibility of success in the peace process which our country so nobly and effectively initiated.

Now, what could be the product of peace? Well, first of all, the possibilities of scientific cooperation between Israelis and Arabs presents an absolutely limitless opportunity for progress to help people. I have been participating in this personally for 10 years. There is an organization known as the IOLRI, the Israeli Oceanographic and Limnological Research Institute, or—in layman's terms—the Israeli Institute for the Study of Oceans and Lakes.

I have been participating in a quiet, effective program of scientific cooperation in which they have been involved with Egyptian marine biologists and Jordanian marine biologists.

For what purpose? For cleaning up the Gulf of Aqaba which is bordered by Israel, Egypt, Jordan, and Saudi Arabia. And they have worked together prodigiously. The Israelis have had a joint science project, a sharing project, to help the Egyptians become farmers of the sea, to engage in large scale marine farming to fulfill their protein needs, and the Egyptians are absolutely delighted at this new high technology that the Israelis have been able to give them.

The Israelis and the Egyptians together are using the most sophisticated computerized underwater measuring devices to measure the velocity and the direction of the waves and the currents that are eroding the Nile Delta, which is of tremendous concern to the Egyptians. The Egyptian experts and Israeli experts have worked very successfully integrating their knowledge, integrating their technology to prevent further erosion of the Nile Delta.

Now, this has been going on for a decade. I have met with Israeli and Arab scientists in Jerusalem. I have met with them in Cairo. I met with them in Alexandria and I have invited them to my home in Washington when they held conventions here to discuss their past progress and their future hopes, their future programs.

It is possible, it is very possible for Arabs and Israelis to work together for the betterment of all their people. The potential is there for marine biology. The potential is there for forestry management, for the planting of vast tracts of grasses—the Savannah grasses—the shrubs, and the trees that were typical of that whole Middle Eastern area 2,000 years or more ago. All it takes is dedication, a willingness to work together, and some financing.

Look at the potential of cooperation in interregional telecommunications, in interregional education, in the exchange of students, and in the creation of an Arab-Israeli peace corps to help every nation's young.

Think of the flow of medical personnel coming from Russia to the State of Israel, far more than Israel needs. Think of joint programs between the Arabs of Egypt, Jordan, and other countries, in which Russian doctors would advise and participate in creating a health services delivery system that could help every single Arab family in need of health care.

The prospects and the potential for cooperation between Arabs and Israelis are exciting beyond measure and the parties have shown over the last 10 years that they can do it. I just hope that this administration comes to its senses and begins to encourage the peace process fairly, instead of destroying the prospects for peace in the Middle East.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. RIDGE) to revise and extend their remarks and include extraneous material:)

Mr. MILLER of Washington, for 60 minutes, on May 6.

Mr. THOMAS of Wyoming, for 5 minutes, today.

(The following Members (at the request of Mr. COX of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. STALLINGS, for 60 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. HAYES of Illinois, for 60 minutes, today.

Mr. BONIOR, for 60 minutes, today.

Mr. NAGLE, for 60 minutes, today.

Mr. KANJORSKI, for 30 minutes, today.

Mr. SCHEUER, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. RIDGE) and to include extraneous matter:)

Mr. BROOMFIELD in two instances.

Mr. GEKAS.

Mr. VANDER JAGT in three instances.

Mrs. JOHNSON of Connecticut.

Mr. GOODLING.

Mr. GUNDERSON.

(The following Members (at the request of Mr. COX of Illinois) and to include extraneous matter:)

Mr. SKELTON.

Mr. LANTOS.

Mr. ERDREICH.

Mr. KILDEE.

Mr. MAZZOLI.

Mr. TORRES.

Mr. CLEMENT.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

Liberia and authorizing limited assistance to support this process.

ADJOURNMENT

Mr. SCHEUER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 p.m.), the House adjourned until tomorrow, Thursday, April 9, 1992, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3274. A letter from the Assistant Secretary for Environmental Restoration and Waste Management, Department of Energy, transmitting notice that the report on research and technology development activities supporting defense waste management and environmental restoration will be delayed until June 1, 1992, pursuant to Public Law 101-189, section 3141(c) (1), (2) (103 Stat. 1680); to the Committee on Armed Services.

3275. A letter from the Secretary, Department of Housing and Urban Development, transmitting the Department's 1991 report on the Supportive Housing Demonstration

Program, pursuant to 42 U.S.C. 11387; to the Committee on Banking, Finance and Urban Affairs.

3276. A letter from the Secretary of Education, transmitting Final Regulations—Eisenhower Mathematics and Science Education Program—State Grant Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3277. A letter from the Secretary of Energy, transmitting a report on enforcement actions and comprehensive status of Exxon and stripper well oil overcharge funds; to the Committee on Energy and Commerce.

3278. A letter from the Secretary of Health and Human Services, transmitting the 1991 annual report on the National Institutes of Health AIDS Research Loan Repayment Program; to the Committee on Energy and Commerce.

3279. A letter from the Secretary of Health and Human Services, transmitting a revised national strategic research plan for balance and the vestibular system and language and language impairments, pursuant to Public Law 100-553, section 464D; to the Committee on Energy and Commerce.

3280. A letter from the Acting Under Secretary for Export Administration, Department of Commerce, transmitting revisions to the 1992 Annual Foreign Policy Report; to the Committee on Foreign Affairs.

3281. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting copies of the President's determination authorizing the furnishing, sale, and/or lease of defense articles and services, pursuant to section 503 of the Foreign Assistance Act, to Czech and Slovak Federal Republic, Hungary, and Poland, pursuant to 22 U.S.C. 2311; to the Committee on Foreign Affairs.

3282. A letter from the Director, Office of Management and Budget, transmitting a pay-as-you-go status report for direct spending and receipts legislation enacted as of March 31, 1992, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-582); to the Committee on Government Operations.

3283. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 1993 resulting from passage of House Joint Resolution 456, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-582); to the Committee on Government Operations.

3284. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3285. A letter from the Chairman, Federal Communications Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1991, pursuant to 5 U.S.C. 552(b); to the Committee on Government Operations.

3286. A letter from the Executive Director, National Mediation Board, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3287. A letter from the Secretary of Housing and Urban Development, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3288. A letter from the Acting Assistant Secretary for Land and Minerals Manage-

ment, Department of the Interior, transmitting the Department's notice on leasing systems for the central Gulf of Mexico, sale 139, scheduled to be held in May 1992, pursuant to 43 U.S.C. 1337(a)(8); to the Committee on Interior and Insular Affairs.

3289. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3290. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3291. A letter from the Secretary of the Interior, transmitting a copy of the Colorado River System Consumptive Uses and Losses Report for 1981 through 1985, pursuant to 43 U.S.C. 1551(b); to the Committee on Interior and Insular Affairs.

3292. A letter from the Chairman, Merit Systems Protection Board, transmitting the Board's case decisions during fiscal year 1991, pursuant to 5 U.S.C. 7701(i)(2); to the Committee on Post Office and Civil Service.

3293. A letter from the Tennessee Valley Authority, transmitting a revision to their 1992 report on labor-management relations; to the Committee on Post Office and Civil Service.

3294. A letter from the Assistant Secretary for Civil Works, Department of the Army, transmitting a report recommending a modification to the authorized flood damage reduction project for the South Fork Zumbro River, Rochester, MN; to the Committee on Public Works and Transportation.

3295. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize an exchange of lands in the States of Arkansas and Idaho; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

3296. A letter from the Acting Administrator, Federal Aviation Administration, transmitting the report on the effectiveness of the Civil Aviation Security Program for the period January through December 1990, pursuant to 49 U.S.C. app. 1356(a); jointly, to the Committees on Public Works and Transportation and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSE: Committee of conference. Conference report on S. 3 (Rept. 102-487). Ordered to be printed.

Mr. GORDON: Committee on Rules. House Resolution 425. Resolution providing for the consideration of a motion to suspend the rules on April 9, 1992 (Rept. 102-488). Referred to the House Calendar.

Mr. FROST: Committee on Rules. House Resolution 426. Resolution waiving all points of order against the conference report to accompany S. 3. A bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, and against consideration of such conference report. (Rept. 102-489).

Mr. MOAKLEY: Committee on Rules. House Resolution 427. Resolution providing

for consideration of House Resolution 423. Resolution amending the Rules of the House of Representatives to provide for certain changes in the administrative operations of the House. (Rept. 102-490). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GONZALEZ:

H.R. 4803. A bill to promote the non-proliferation of weapons of mass destruction by denying funding to the international development institutions until such institutions revoke the membership of countries not adhering to appropriate nonproliferation regimes, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BALLENGER:

H.R. 4804. A bill to suspend until January 1, 1995, the duty on formulated fenoxaprop; to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI (for himself, Mr. STARK, Mr. MOODY, and Mr. CARDIN):

H.R. 4805. A bill to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to allow Medicare administrative funding to increase and thereby combat waste, fraud, and abuse, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mr. BLACKWELL:

H.R. 4806. A bill to amend the Fair Credit Reporting Act to protect the credit rating of consumers with satisfactory credit ratings who become unemployed due to recession or to an employer's transfer of the job function performed by a consumer to another country, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. CARPER:

H.R. 4807. A bill to suspend until January 1, 1995, the duty on quinalofop-ethyl; to the Committee on Ways and Means.

H.R. 4808. A bill to suspend until January 1, 1995, the duty on Pigment Red 254; to the Committee on Ways and Means.

H.R. 4809. A bill to suspend until January 1, 1995, the duty on Pigment Blue 60; to the Committee on Ways and Means.

H.R. 4810. A bill to suspend until January 1, 1995, the duty on Pyrrole (3,4-C) Pyrrole-1, 4-Dione, 2,5-Dihydro 3,6-Diphenyl; to the Committee on Ways and Means.

H.R. 4811. A bill to suspend until January 1, 1995, the duty on (±)-Methyl p-(2-hydroxy-3-(isopropylamino) propoxy) hydrocinnamate hydrochloride; to the Committee on Ways and Means.

H.R. 4812. A bill to suspend until January 1, 1995, the duty on 3-(a-acetonyl benzyl)-4-hydroxycoumarin sodium salt; to the Committee on Ways and Means.

By Mr. COBLE:

H.R. 4813. A bill to suspend until January 1, 1995, the duty on 1,8-Dichloroanthraquinone; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 4814. A bill to extend the temporary suspension of duty on fresh cantaloupes imported between January 1 and May 15 of each year; to the Committee on Ways and Means.

By Mr. GOODLING (for himself and Mr. GUNDERSON):

H.R. 4815. A bill to amend the Age Discrimination in Employment Act of 1967 to

provide compensatory and punitive damages that are consistent with the damages authorized by section 1977A of the revised statutes, and for other purposes; jointly, to the Committees on Education and Labor, Post Office and Civil Service, and House Administration.

By Mr. GRANDY:

H.R. 4816. A bill to suspend until January 1, 1995, the duty on Fomesafen; to the Committee on Ways and Means.

By Mr. GUNDERSON:

H.R. 4817. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, and to cover the costs thereof by means of benefit reductions in the first month of entitlement for future beneficiaries proportionate to the periods before entitlement, and to further cover early costs by providing a \$0.50 reduction in monthly benefits for current beneficiaries for a transitional period of 5 years; to the Committee on Ways and Means.

By Mr. HALL of Ohio:

H.R. 4818. A bill to establish the Department of Energy Nuclear Weapons Complex Reconfiguration Commission; to the Committee on Armed Services.

By Mr. HATCHER:

H.R. 4819. A bill to suspend until January 1, 1995, the duty on Triphenylmethyl chloride, Imidazole Intermediate, 1,3-Dihydroxyacetone, N-Chlorosuccinimide, Losartan (active) and Avistar (formulation); to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 4820. A bill to suspend until January 1, 1995, the duty on exomethylene cephal sulfoxide ester; to the Committee on Ways and Means.

By Mrs. KENNELLY (for herself and Mrs. JOHNSON of Connecticut):

H.R. 4821. A bill to amend the Internal Revenue Code of 1986 to allow a credit for the purchase of a principal residence by first-time home buyers; to the Committee on Ways and Means.

By Mr. KILDEE (for himself, Mr. EMERSON, Mrs. SCHROEDER, and Mr. HALL of Ohio):

H.R. 4822. A bill to make appropriations to begin a phase-in toward full funding of the special supplemental food program for women, infants, and children [WIC] and of Head Start Programs, to expand the Job Corps Program, and for other purposes; to the Committee on Education and Labor.

By Mr. LEHMAN of California:

H.R. 4823. A bill to extend until January 1, 1995, the existing suspensions of duty on tartaric acid, potassium antimony tartrate, and potassium sodium tartrate; to the Committee on Ways and Means.

By Mr. LOWERY of California:

H.R. 4824. A bill relating to the tariff treatment of gear boxes of certain agricultural horticultural equipment; to the Committee on Ways and Means.

H.R. 4825. A bill to suspend until January 1, 1995, the duty on gear boxes of certain agricultural or horticultural equipment; to the Committee on Ways and Means.

By Mr. RICHARDSON:

H.R. 4826. A bill to suspend temporarily the duty on rifabutin (dosage form); to the Committee on Ways and Means.

By Mr. SHARP (for himself, Mr. HAMILTON, Mr. JACOBS, and Mr. McCLOSKEY):

H.R. 4827. A bill to suspend until January 1, 1995, the duty on certain high displacement industrial diesel engines and

turbochargers; to the Committee on Ways and Means.

By Mr. SHAW:

H.R. 4828. A bill to extend the existing suspension of duty on metal oxide varistors; to the Committee on Ways and Means.

By Mr. SOLOMON (for himself, Mr. ACKERMAN, Mr. BOEHLERT, Mr. DOWNEY, Mr. FISH, Mr. GILMAN, Mr. GREEN of New York, Mr. HOCHBRUECKER, Mr. HORTON, Mr. HOUGHTON, Mr. LENT, Mr. MARTIN, Mr. McGRATH, Ms. MOLINARI, Mr. NOWAK, Mr. RANGEL, Mr. SCHEUER, Mr. SCHUMER, Ms. SLAUGHTER, Mr. SOLARZ, Mr. TOWNS, Mr. WALSH, Mr. WEISS, Mr. McNULTY, and Mr. PAXON):

H.R. 4829. A bill to establish the Hudson River Artists National Historical Park in the State of New York, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SUNDQUIST (for himself and Mr. FORD of Tennessee):

H.R. 4830. A bill to restore duty-free treatment for combination convection microwave ovens; to the Committee on Ways and Means.

By Mr. VOLKMER:

H.R. 4831. A bill to establish a congressional commemorative medal for veterans of the Battle of Midway; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WEISS:

H.R. 4832. A bill to amend the Federal Home Loan Bank Act to require the Resolution Trust Corporation to maintain residential properties of institutions for which the Corporation is conservator or receiver in compliance with local property maintenance and safety laws; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ZIMMER:

H.R. 4833. A bill to suspend until January 1, 1995, the duty on Trimethyl Hexamethylene Diisocyanate; to the Committee on Ways and Means.

H.R. 4834. A bill relating to the tariff treatment of isophorone diisocyanate [IPDI]; to the Committee on Ways and Means.

By Mr. FAZIO:

H.R. 4835. A bill relating to the tariff treatment of Benthocarb; to the Committee on Ways and Means.

By Mr. IRELAND:

H.R. 4836. A bill to reduce Department of Defense balances of expired appropriations by canceling certain unliquidated obligations that have been determined by audit to be invalid; to the Committee on Appropriations.

H.R. 4837. A bill to amend title 31, United States Code, to limit the authority of the President and heads of agencies to prevent the closing of appropriation accounts available for indefinite periods; to the Committee on Government Operations.

By Mr. NOWAK:

H.R. 4838. A bill to direct the Secretary of the Army to construct a visitor center at Mt. Morris's Dam, Mt. Morris, NY; to the Committee on Public Works and Transportation.

By Mr. BLILEY (for himself, Mr. BATEMAN, Mr. ALLEN, Mr. WOLF, Mr. OLIN, Mr. MORAN, Mr. SISISKY, Mr. PAYNE of Virginia, Mr. PICKETT, Mr. BOUCHER, Mr. ERDREICH, Mr. TOWNS, Mr. DeFAZIO, Mr. EMERSON, Mr. WALSH, Mr. PASTOR, Mr. COBLE, Mr. SPENCE, Mr. JONTZ, Mr. MARTINEZ, Ms. HORN, Mr. McDERMOTT, Mr. SKEEN, Mr. POSHARD, DANNEMEYER, Mr. LEWIS of California, Mr. WOLPE, Mr. OXLEY, Mr. DUNCAN, Mr. AUCOIN, Mr. ANDER-

SON, Mr. ROGERS, Mr. ENGEL, Mrs. BENTLEY, Mr. ECKART, Mr. FEIGHAN, Mr. HERGER, Mr. ROE, Mr. TALLON, Mr. HOBSON, Mr. EWING, Mr. THOMAS of Georgia, Mr. HARRIS, Mr. NEAL of Massachusetts, Mr. GUARINI, Mr. ESPY, Mr. DE LUGO, Mr. LOWERY of California, Mr. ROHRBACHER, Mr. WYDEN, Mr. WAXMAN, Mr. WILSON, Mr. STOKES, Mr. SAXTON, Mr. TAYLOR of North Carolina, Mr. NATCHER, Mr. BEREUTER, Mr. WYLIE, Mr. GILMAN, Mr. McNULTY, Mrs. MEYERS of Kansas, Mr. HUGHES, Mr. WASHINGTON, Mr. COUGHLIN, Mr. LAGOMARSINO, Mr. MAVROULES, and Mr. SMITH of New Jersey):

H.J. Res. 465. Joint resolution designating January 16, 1993, as "Religious Freedom Day"; to the Committee on Post Office and Civil Service.

By Mr. GEKAS (for himself, Mr. COBLE, Mr. CRAMER, Mr. BATEMAN, Mr. McDADE, Mr. WOLF, Mr. GALLEGLY, Mr. HAMILTON, Mr. KOLTER, Mr. STALLINGS, Mrs. UNSOELD, Mr. FISH, Mr. TOWNS, Mr. SKEEN, Mr. GUARINI, Mr. LAGOMARSINO, Mr. WILSON, Mr. HORTON, Mr. SCHUMER, Mr. BILIRAKIS, Ms. HORN, Mr. MAZZOLI, Mr. FAZIO, Mr. BROWDER, Mr. RAMSTAD, Mr. McDERMOTT, Mr. SWETT, Mr. ERDREICH, Mr. GREEN of New York, Mr. CHAPMAN, Mr. MOORHEAD, and Mr. McNULTY):

H.J. Res. 466. Joint resolution designating April 26, 1992, through May 2, 1992, as "National Crime Victims' Rights Week"; to the Committee on Post Office and Civil Service.

By Ms. HORN (for herself, Mr. KOPETSKI, Mr. BEVILL, Mr. GREEN of New York, Mr. McMILLEN of Maryland, Mr. MARTIN, Mr. HUBBARD, Mr. ERDREICH, Mr. MAZZOLI, Mr. DURBIN, Mr. TOWNS, Mr. SISISKY, Mr. WALSH, Mr. PASTOR, Mr. SWETT, Mr. SHAW, Ms. KAPTUR, Mr. JONTZ, Mr. MARTINEZ, Mr. OWENS of New York, Mr. McDERMOTT, Mr. LAGOMARSINO, Mr. GUARINI, Mr. LIPINSKI, Ms. OAKAR, Mr. McCANDLESS, Mr. LOWERY of California, Mr. RINALDO, Mr. LAROCCO, Mr. SMITH of Florida, Mrs. MEYERS of Kansas, Mr. INHOFE, Mrs. PATTERSON, Mr. HOBSON, Mr. MACHTLEY, Mr. CLEMENT, Mr. EMERSON, Mr. MATSUI, Mr. REED, Mrs. MORELLA, and Mr. FROST):

H.J. Res. 467. Joint resolution designating October 24, 1992, through November 1, 1992, as "National Red Ribbon Week for a Drug-Free America"; to the Committee on Post Office and Civil Service.

By Mr. WEISS (for himself, Mr. FASCELL, Mr. BROOMFIELD, Mr. SOLARZ, Mr. WOLPE, Mr. GEJDENSON, Mr. DYMALLY, Mr. TORRICELLI, Mr. OWENS of Utah, Mr. FALEOMAVAEGA, Mr. MURPHY, Mr. KOSTMAYER, Mr. FOGLIETTA, Mr. ORTON, Mr. GILMAN, Mr. LAGOMARSINO, Mr. LEACH, Mrs. MEYERS of Kansas, Mr. MILLER of Washington, Mr. BLAZ, Mr. GALLEGLY, Mr. HOUGHTON, and Mr. CONYERS):

H. Con. Res. 306. Concurrent resolution condemning the extraconstitutional and antidemocratic actions of President Fujimori of Peru; to the Committee on Foreign Affairs.

By Mr. EWING (for himself, Mr. PENNY, Mr. IRELAND, Mr. WEBER, Mr. ARCHER, Mr. DeLAY, Mr. SOLOMON, Mr. HUNTER, Mr. ROHRBACHER, Mr. PACKARD, Mr. SMITH of Oregon, Mr.

HORTON, Mr. DOOLITTLE, Mr. BOEHNER, Mr. MOORHEAD, Mr. GALLEGLY, Mr. BURTON of Indiana, Mr. KOLBE, Mr. DUNCAN, Mr. ALLARD, Mr. SUNDQUIST, Mr. KYL, Mr. LIVINGSTON, Mr. CAMP, Mrs. VUCANOVICH, Mr. ROBERTS, Mr. ALLEN, Mr. PORTER, Mr. STUMP, Mr. CUNNINGHAM, Mr. TAYLOR of North Carolina, Mr. STEARNS, Mr. DORNAN of California, Mr. RIGGS, Mr. HASTERT, Mr. ZELIFF, Mr. LIGHTFOOT, Mr. McCANDLESS, Mr. JOHNSON of Texas, Mr. BARRETT, Mr. HANCOCK, Mr. HANSEN, Mr. BEREUTER, Mr. LOWERY of California, Mr. RAVENEL, Mr. HOLLOWAY, Mr. BAKER, Mr. DICKINSON, Mr. ARMEY, Mr. BROOMFIELD, Mr. COMBEST, Mr. YOUNG of Alaska, Mr. RITTER, Mr. SKEEN, Mr. NICHOLS, Mr. INHOFE, Mr. DANNEMEYER, Mr. HYDE, Mr. CRANE, Mr. THOMAS of Wyoming, Mr. LAGOMARSINO, Mr. PAXON, Mr. McMILLAN of North Carolina, Mr. LEWIS of Florida, Mr. GRANDY, Mr. TANNER, Mr. VANDER JAGT, Mr. HOUGHTON, Mr. SCHAEFER, Mr. EMERSON, and Mr. SENSENBRENNER):

H. Con. Res. 307. Concurrent resolution expressing the sense of the Congress that the President should extend for a period of 1 year the 90-day moratorium on new unnecessary Federal regulations; to the Committee on Government Operations.

By Mr. GEPHARDT (for himself, Mr. HOYER, Mr. FAZIO, Mr. ROSE, Mr. MOAKLEY, Ms. SLAUGHTER, and Mr. OBEY):

H. Res. 423. Resolution amending the Rules of the House of Representatives to provide for certain changes in the administrative operations of the House; jointly, to the Committees on Rules and House Administration.

By Ms. OAKAR (for herself, Mr. JONNS, Mr. JERRSON, and Mrs. LLOYD):

H. Res. 424. Resolution providing for the elimination of perquisites in the House of Representatives; to the Committee on House Administration.

By Mr. SCHULZE:

H. Res. 428. Resolution expressing the sense of the House of Representatives that secondary schools throughout the Nation should implement a financial planning program using the proven techniques of the College for Financial Planning in partnership with the U.S. Department of Agriculture Extension Service and participating Land-Grant University Cooperative Extension Services; to the Committee on Education and Labor.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

362. By the SPEAKER: Memorial of the General Assembly of the Commonwealth of Virginia, relative to the credit crisis; to the Committee on Banking, Finance and Urban Affairs.

363. Also, memorial of the General Assembly of the Commonwealth of Virginia, relative to the corporate average fuel economy standards; to the Committee on Energy and Commerce.

364. Also, memorial of the Legislature of the State of Florida, relative to the physical desecration of the American flag; to the Committee on the Judiciary.

365. Also, memorial of the Legislature of the State of Florida, relative to naming a courtroom in the Federal courthouse in Bay

County, FL, for the late Lynn C. Higby; to the Committee on Public Works and Transportation.

366. Also, memorial of the General Assembly of the State of South Carolina, relative to reform of medical insurance; jointly, to the Committees on Energy and Commerce and the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 371: Mr. RIGGS.
H.R. 643: Mr. SCHIFF and Mr. ROEMER.
H.R. 780: Mr. EVANS and Mr. GILCHREST.
H.R. 812: Mr. ATKINS, Mr. GLICKMAN, Mr. SIKORSKI, Mr. KOPETSKI, Mr. MATSUI, Mr. TORRICELLI, and Mrs. KENNELLY.
H.R. 888: Mr. RICHARDSON.
H.R. 941: Mr. TORRES and Mr. LAGO-MARSINO.
H.R. 1003: Mr. STEARNS.
H.R. 1049: Mr. UPTON.
H.R. 1200: Mr. BATEMAN.
H.R. 1241: Mr. DELAY, Mr. MAZZOLI, Ms. HORN, Mr. MILLER of Washington, and Mr. KASICH.
H.R. 1456: Mr. MAVROULES and Mr. DUNCAN.
H.R. 1468: Mr. BILIRAKIS.
H.R. 1502: Mr. MURPHY, Mr. GILCHREST, and Mr. CRAMER.
H.R. 1572: Mr. COLEMAN of Missouri.
H.R. 1628: Mr. YATRON, Mr. DELLUMS, Mr. CARPER, Mr. LIPINSKI, Mr. SMITH of Florida, Mr. MCCANDLESS, Mr. KANJORSKI, Mr. CLINGER, Mr. VALENTINE, Mr. COX of California, Mr. MURTHA, Mr. HAYES of Illinois, and Mr. SCHULZE.
H.R. 1664: Mr. HAYES of Illinois.
H.R. 1691: Mr. WALSH, Mr. LEVIN of Michigan, Mr. GINGRICH, Mr. GUNDERSON, and Mr. ABERCROMBIE.
H.R. 1726: Mr. DEFazio.
H.R. 1820: Mr. DIXON.
H.R. 1870: Mr. ATKINS.
H.R. 2070: Mr. STEARNS, Mr. SISISKY, Mr. CLEMENT, Mr. HYDE, Mr. MCCANDLESS, Mr. LAROCO, Mr. BREWSTER, Mr. REGULA, Mr. INHOFE, Mr. BAKER, Mr. PAXON, Ms. SNOWE, and Mr. PARKER.
H.R. 2126: Mr. ENGEL.
H.R. 2200: Mr. GILCHREST.
H.R. 2248: Mr. CUNNINGHAM, Mr. GORDON, Mr. HAYES of Louisiana, and Mr. BURTON of Indiana.
H.R. 2253: Mr. GINGRICH.
H.R. 2299: Mr. STUDDS and Mr. SOLARZ.
H.R. 2415: Mr. ENGEL.
H.R. 2600: Mr. GUNDERSON.
H.R. 2782: Mr. WILLIAMS, Mr. MORRISON, Mr. SMITH of New Jersey, Mr. MINETA, Mr. BACCHUS, Mr. DOOLEY, Mr. SIKORSKI, Mr. SWIFT, Mrs. COLLINS of Illinois, Mr. SHARP, Mr. VOLKMER, and Mr. DURBIN.
H.R. 2797: Mr. ALEXANDER, Mr. COYNE, Mr. DICKS, Mr. DIXON, Mr. DOOLEY, Mr. ERDREICH, Mr. GLICKMAN, Mr. HALL of Ohio, Mr. HERGER, Ms. KAPTUR, Mr. LEVIN of Michigan, Mr. MFUME, Ms. MOLINARI, Mr. NAGLE, Mr. PAYNE of New Jersey, Mr. PORTER, and Mr. SAXTON.
H.R. 2861: Mrs. ROUKEMA.
H.R. 2881: Mrs. BOXER.
H.R. 2890: Mr. DICKINSON and Mr. SIKORSKI.
H.R. 2964: Mr. GORDON.
H.R. 2966: Mr. GINGRICH, Mr. HOAGLAND, Mr. LIGHTFOOT, Mr. SKAGGS, and Mr. COLEMAN of Missouri.
H.R. 3071: Mr. PARKER, Mr. RICHARDSON, and Mr. SLATTERY.
H.R. 3121: Mr. WELDON and Mr. WALSH.

H.R. 3138: Mrs. BOXER.
H.R. 3198: Mr. HOPKINS, Mr. BUSTAMANTE, Ms. COLLINS of Michigan, Mr. MYERS of Indiana, Mr. JOHNSON of South Dakota, Mr. LAGOMARSINO, Mr. SANTORUM, and Mr. ORTIZ.
H.R. 3215: Mr. SKEEN.
H.R. 3220: Ms. OAKAR.
H.R. 3222: Mr. GILCHREST.
H.R. 3393: Mr. OBERSTAR.
H.R. 3407: Mr. NEAL of Massachusetts and Mr. MINETA.
H.R. 3598: Mr. GILLMOR and Mr. STUMP.
H.R. 3639: Mr. ENGEL.
H.R. 3681: Mrs. JOHNSON of Connecticut, Mrs. MINK, and Mr. LAFALCE.
H.R. 3712: Mr. JONES of North Carolina, Mr. JOHNSON of Texas, Mr. DORNAN of California, and Mr. HUNTER.
H.R. 3780: Mr. STENHOLM and Mr. PETERSON of Florida.
H.R. 3836: Mr. DORGAN of North Dakota.
H.R. 3908: Mr. JONTZ.
H.R. 4018: Mr. RICHARDSON.
H.R. 4025: Mr. TALLON.
H.R. 4045: Mr. PETERSON of Minnesota and Mr. McMILLEN of Maryland.
H.R. 4079: Mr. JONTZ.
H.R. 4097: Mr. WEISS.
H.R. 4099: Mr. HERGER, Mr. HANSEN, Mrs. VUCANOVICH, and Mr. DAVIS.
H.R. 4104: Mr. MAZZOLI, Mr. CUNNINGHAM, and Mr. EWING.
H.R. 4169: Mr. MCCREERY.
H.R. 4190: Mrs. SCHROEDER.
H.R. 4220: Mr. BLACKWELL.
H.R. 4235: Mr. OWENS of New York.
H.R. 4261: Mr. PETERSON of Minnesota.
H.R. 4275: Mr. MCCANDLESS, Mr. MAVROULES, Mr. FEIGHAN, Mr. HENRY, Mr. MILLER of Washington, and Mr. ATKINS.
H.R. 4278: Mr. NEAL of Massachusetts.
H.R. 4292: Mr. PAXON, Mr. THOMAS of Wyoming, and Mr. DANNEMEYER.
H.R. 4294: Mr. ARMEY.
H.R. 4295: Mr. ARMEY.
H.R. 4296: Mr. ARMEY.
H.R. 4297: Mr. ARMEY.
H.R. 4315: Mr. LENT.
H.R. 4338: Mr. COBLE, Mr. EWING, Mr. LOWERY of California, Mr. ALLEN, Mr. McMILLEN of Maryland, Mr. SWIFT, Mr. HEFLEY, Mr. HARRIS, Mr. VANDER JAGT, Ms. PELOSI, Mr. LEHMAN of California, Mr. COYNE, Mr. KENNEDY, Mr. STUDDS, Mr. ALEXANDER, Mr. TRAXLER, Mr. NEAL of North Carolina, Mr. LIVINGSTON, Mr. TORRES, Mr. REGULA, Ms. KAPTUR, Mr. MFUME, Mr. HUBBARD, Mr. AUCCOIN, Mr. POSHARD, Mrs. JOHNSON of Connecticut, Mr. JENKINS, Mr. FAZIO, Mr. SCHEUER, Mrs. KENNELLY, Mr. GILCHREST, and Mr. RHODES.
H.R. 4427: Mr. FIELDS.
H.R. 4452: Ms. LONG, Mr. JOHNSON of South Dakota, Mr. HATCHER, Mr. STALLINGS, and Mr. STAGGERS.
H.R. 4513: Mrs. MEYERS of Kansas.
H.R. 4533: Mr. CONDIT.
H.R. 4539: Mr. WHITTEN, Mr. MONTGOMERY, Mr. ESPY, and Mr. PARKER.
H.R. 4571: Mr. RANGEL, Mr. SPRATT, Mr. KOSTMAYER, Mr. DWYER of New Jersey, Mr. EVANS, and Mr. FROST.
H.R. 4617: Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4618: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4619: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4620: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr.

COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4621: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4622: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4623: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4624: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4625: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4626: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4627: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4628: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4629: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4630: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4631: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4632: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4633: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4634: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4635: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4636: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4637: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4638: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4639: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4640: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.
H.R. 4641: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr.

COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4642: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4643: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4644: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4645: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4646: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4647: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4648: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4649: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4650: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4651: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4652: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4653: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4654: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4655: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4656: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4657: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4658: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4659: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4660: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4661: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4662: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4663: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4664: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4665: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4666: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4667: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4668: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4669: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4670: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4671: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4672: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4673: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4674: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4675: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4676: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4677: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4678: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4679: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4680: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4681: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4682: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4683: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4684: Mr. CONMIT, Mr. GOSS, Mr. ROHRBACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4689: Mr. SHAYS, Mr. LEACH, Mr. AUCCOIN, and Mr. PAXON.

H.J. Res. 81: Mr. RAMSTAD.

H.J. Res. 121: Mr. MARTINEZ, Mr. SANDERS, Mr. LANCASTER, Mr. SERRANO, Mr. COUGHLIN, Mr. MATSUI, Mr. JONTZ, Ms. KAPTUR, Mr. BROOMFIELD, Mr. GORDON, Mr. CLINGER, Mr. YATRON, Mr. SMITH of Iowa, Mr. MCCREY, and Mr. GAYDOS.

H.J. Res. 283: Mr. MOORHEAD.

H.J. Res. 371: Mr. BLAZ, Mr. BREWSTER, Mr. CARDIN, Mr. CRAMER, Mr. DIXON, Mr. DWYER of New Jersey, Mr. FROST, Mr. HAYES of Louisiana, Mr. KILDEE, and Mr. LAUGHLIN.

H.J. Res. 388: Mr. HYDE, Mr. EVANS, Mr. NEAL of Massachusetts, Ms. SNOWE, Mr. BENNETT, and Mr. TAUZIN.

H.J. Res. 393: Mr. BLILEY, Mr. LEVINE of California, Mr. MCDERMOTT, Mr. QUILLLEN, and Mr. VENTO.

H.J. Res. 399: Mr. HATCHER and Mr. FROST.

H.J. Res. 417: Mr. DEFazio.

H.J. Res. 418: Mr. ARMEY.

H.J. Res. 445: Mr. LAFALCE, Mr. ROYBAL, Mrs. UNSOELD, Mr. WILSON, Mr. WEBER, Mr. MORAN, Mr. PURSELL, Mr. CALLAHAN, Mr. DEFazio, Mr. HOCHBRUECKNER, Mr. McMILLEN of Maryland, and Mr. MOAKLEY.

H.J. Res. 457: Mr. GALLEGLY, Mr. RAMSTAD, Mr. BENNETT, Mrs. COLLINS of Illinois, Mr. BARRETT, Mr. BOEHNER, Mr. BUSTAMANTE, Mr. DELAY, Mr. DONNELLY, Mr. EDWARDS of Oklahoma, Mr. FAWELL, Mr. GALLO, Mr. GREEN of New York, Mr. HEFLEY, Mr. HENRY, Mr. LENT, Mr. LIVINGSTON, Mr. MILLER of Washington, Mr. PACKARD, Mr. RHODES, Mr. RIDGE, Mr. ROBERTS, Mr. SCHAEFER, Mr. SHAYS, Mr. SOLOMON, Mr. VANDER JAGT, Mr. WEBER, Mr. CRANE, Mr. HOUGHTON, Mr. MONTGOMERY, Mr. MYERS of Indiana, Mr. SUNDQUIST, Mr. UPTON, Mr. JEFFERSON, Mr. MCDADE, Mr. MORRISON, Ms. SLAUGHTER, Mr. QUILLLEN, Mrs. UNSOELD, and Mr. STUMP.

H. Con. Res. 289: Mr. HAYES of Louisiana, Mr. HORTON, Mr. ZELIFF, and Mr. DWYER of New Jersey.

H. Con. Res. 291: Mr. PAXON.

H. Con. Res. 297: Mr. ZELIFF, Mr. FOGLETTA, Mr. ACKERMAN, Mr. JEFFERSON, Mr. LEVINE of California, Mr. KOPETSKI, Mr. YATRON, Mr. FAZIO, Mr. BILBRAY, Mr. WAXMAN, and Mr. PAXON.

H. Res. 204: Mr. WELDON.

H. Res. 271: Mr. LEWIS of Georgia and Mr. COX of Illinois.

H. Res. 404: Mr. SENSENBRENNER, Mr. LIVINGSTON, Mr. PAXON, Mr. POSHARD, Mr. GALLEGLY, Mr. ZELIFF, Mr. SHAW, Mr. BALLENGER, Mr. KOLBE, Mr. BACCHUS, Mr. ROEMER, Mrs. MEYERS of Kansas, Mr. GILCHREST, Mr. ATKINS, and Mr. ROBERTS.

H. Res. 417: Mrs. BOXER and Mr. KOST-MAYER.

H. Res. 419: Mr. REGULA, Mr. RHODES, Mr. BEREUTER, Mr. BOEHNER, Mr. MARTIN, Mr. SENSENBRENNER, Mr. GOSS, Mr. PAXON, Mr. CAMPBELL of California, Mr. JAMES, Mr. WALSH, Mr. OXLEY, and Mr. CAMP.

PETITIONS, ETC.

Under clause I of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

147. By the SPEAKER: Petition of the 29th Division Association, Inc., Boonsboro, MD, relative to the notch Social Security law; to the Committee on Ways and Means.

148. Also, petition of the Louisiana Republican Legislative Delegation, Baton Rouge, LA, relative to President Bush's economic growth program; to the Committee on Ways and Means.